Alberta

Freedom To Create.
Spirit To Achieve.

Children and Youth Services

Annual Report
2009-2010

Alberta Children and Youth Services
12th Floor, Sterling Place
9940 - 106 Street, Edmonton, AB, T5K 2N2
Phone: 780.422.3004 Fax: 780.422.3071

Government of Alberta ■

Table of Contents

3 **Preface**

4 **Minister's Accountability Statement**

5 **Message from the Minister**

6 **Management's Responsibility for Reporting**

9 **Results Analysis**

- i. Ministry Overview
- ii. Review Engagement Report
- iii. Performance Measures Summary Table
- iv. Discussion and Analysis of Results
- v. Ministry Financial Analysis

47 **Financial Information**

- i. Auditor's Report
- ii. Audited Ministry and Department Financial Statements

87 **Other Information**

91 **Appendix**

Appendix: Performance Measures – Data Sources and Methodology

99 **Child and Family Services Authorities Financial Statements**

Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 Ministries.

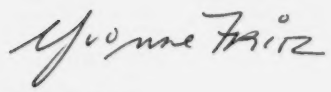
The annual report of the Government of Alberta released June 24, 2010 contains Ministers' accountability statements, the consolidated financial statements of the Province and *The Measuring Up* report, which compares actual performance results to desired results set out in the government's business plan.

This annual report of the Ministry of Children and Youth Services contains the Minister's accountability statement, the audited consolidated financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes:

- **the financial statements of entities making up the Ministry, including the Department of Children and Youth Services and 10 Child and Family Services Authorities for which the Minister is responsible,**
- **other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.**

Minister's Accountability Statement

The Ministry's annual report for the year ended March 31, 2010, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 23, 2010 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.



Yvonne Fritz
Minister of Children and Youth Services

Message from the Minister

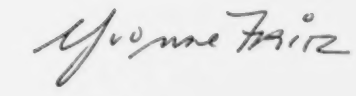
Honourable Yvonne Fritz

Working alongside many dedicated partners, this Ministry has one of the most important and rewarding responsibilities in our province – creating stronger communities through ensuring the safety and well-being of Alberta's children, youth and families. The task is a challenging one, as society faces a number of emerging issues including population growth, demographic shifts, addictions, gangs and the use of the internet by sexual predators. I have met with many of the devoted men and women across the province who work for and with Children and Youth Services, since my appointment as Minister in January 2010, and have seen first-hand the positive and lasting difference made in the lives of Albertans, everyday.

In 2009-10, the Ministry continued to provide supports and services to ensure the safety and protection of children and youth at risk; helped parents access quality, affordable child care; and collaborated with communities to prevent family violence and bullying. As well, we had great success in finding permanent and loving homes for children and youth in care. Our ongoing partnership with Aboriginal (First Nation, Métis and Inuit) communities to help children develop positive and meaningful connections with their family, community and culture was strengthened.

Over the past year, we also continued our important work to support at-risk youth, assist families raising a child with a disability and enhance our relationship with contracted social services agencies to improve outcomes for the children, youth and families they serve.

Strong children, youth, families and communities are the heart of our great province and the key to Alberta's bright future. To our Ministry's staff and the countless individuals from community organizations and agencies who have worked hard to help others, thank you. Every day, you keep our communities safe and help our children, youth and families succeed. I commend your commitment and tremendous partnership. Together, we are united in supporting positive outcomes for children, youth and families in Alberta. I look forward to working with all of you in the upcoming year.



Yvonne Fritz
Minister of Children and Youth Services
September 7, 2010

Management's Responsibility for Reporting

The Ministry of Children and Youth Services includes: the Department of Children and Youth Services and the Child and Family Services Authorities.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

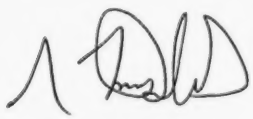
Responsibility for the integrity and objectivity of the consolidated financial statements and performance results for the Ministry rests with the Minister of Children and Youth Services. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with the Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information agrees with the underlying data and the sources used to prepare it;
- Understandability and Comparability – Actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information; and
- Completeness – Performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under Ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and Enterprise and the Minister of Children and Youth Services any information needed to fulfill their responsibilities; and
- facilitate preparation of Ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities, I have relied, as necessary, on the executive of the individual entities within the Ministry.

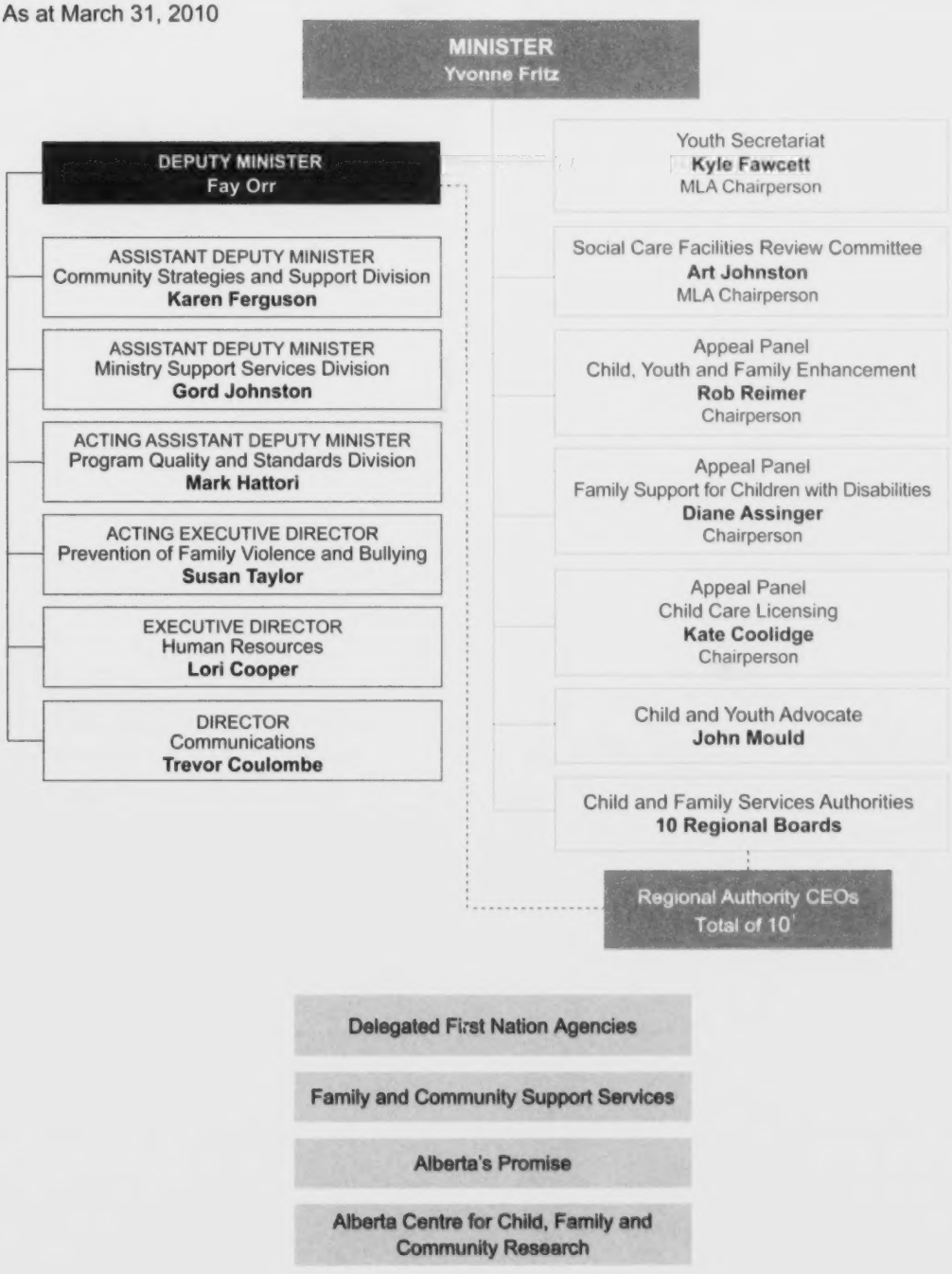


Steve MacDonald
Deputy Minister
August 26, 2010

Results Analysis

Alberta Children and Youth Services Organization

As at March 31, 2010



[1]Dotted lines represent a dual reporting relationship for CEOs.

Description of the Organization

The Government of Alberta is responsible for providing services to help ensure the safety and well-being of children and families. The Ministry of Children and Youth Services fulfils these obligations through the following entities:

Department of Children and Youth Services

Community Strategies and Support

The Community Strategies and Support Division provides leadership that guides the implementation of preventive programs and builds capacity to effectively use partnerships to enhance community-based services for children, youth and families. Key responsibilities include:

- supporting parents to access quality, affordable child care services for their children that promote early childhood development and well-being;
- leading cross-ministry initiatives such as Fetal Alcohol Spectrum Disorder and Alberta Mentoring Partnership;
- supporting prevention and early intervention including Parent Link Centres and Family and Community Support Services programs;
- engaging youth to provide input on issues relating to Alberta's youth within the Government of Alberta (for example, the Youth Secretariat and Advancing Futures); and
- undertaking research and evaluation to support program and policy development and practice improvement.

Ministry Support Services

The Ministry Support Services Division provides strategic and operational support for policy and program development and service delivery. The division supports Ministry operations by:

- leading business planning and corporate strategic operations;
- managing performance measurement and reporting strategies;
- providing legal policy advice, legislative planning and litigation support;
- leading financial planning, budgeting, analysis and monitoring processes;
- maintaining data resources, records management, information systems and technology infrastructure;
- supporting board governance, the Appeal Secretariat and the Social Care Facilities Review Committee;
- providing advice relating to the *Freedom of Information* and *Protection of Privacy Act;* and
- liaising with other jurisdictions and providing advice to the Minister and senior management staff on inter-governmental initiatives.

Program Quality and Standards

The Program Quality and Standards Division provides strategic leadership to ensure vulnerable children, youth and families receive high quality services that focus on better outcomes. The division operates within the legislative framework of the *Family Support for Children with Disabilities Act*, the *Protection of Sexually Exploited Children Act*, the *Child, Youth and Family Enhancement Act* and the *Drug-endangered Children Act*. Key responsibilities include:

- developing program and policy related to supporting families who have children with disabilities, protecting sexually exploited children, providing out-of-home placements (i.e., foster care and kinship care), adoption and child intervention services including protecting children and youth and providing prevention and other support services to children, youth and their families;
- providing quality assurance and accountability mechanisms, including developing and collaboratively monitoring standards, data analysis and outcomes evaluation;
- supporting Child and Family Services Authorities and Delegated First Nation Agencies through the provision of program data and analysis of program processes, case consultation and policy clarification to support continuous improvement in services for vulnerable and at-risk children, youth and families;
- liaising with the Office of the Child and Youth Advocate to ensure that children and youth in care have a voice; and
- representing the Ministry on cross-ministry committees related to improving outcomes for children, youth and families.

Prevention of Family Violence and Bullying

The Prevention of Family Violence and Bullying Division provides leadership in the development and implementation of a coordinated and collaborative provincial response to preventing family violence and bullying, and supporting those affected. Key responsibilities include:

- preventing and reducing the incidence of family violence and protecting victims of family violence through measures under the *Protection Against Family Violence Act* and the *Child, Youth and Family Enhancement Act*;
- leading and coordinating a nine-ministry provincial Prevention of Family Violence and Bullying Initiative, addressing policy and system priorities to prevent family violence and bullying and supporting those affected;
- working with government ministries, provincial and national organizations and communities to affect positive social change and build provincial leadership toward an Alberta free of family violence and bullying;
- supporting communities in working towards coordinated provincial and community responses to family violence and bullying that includes a comprehensive range of prevention, protection, outreach and follow-up services and supports for children and family members affected; and
- working with women's emergency shelters and sexual assault centres to support individuals and families affected by family violence to live safely in their homes and communities.

Child and Family Services Authorities

Child and Family Services Authorities (CFSAs) deliver front-line services for the Ministry, providing support and services to children, youth and families by meeting local needs while following provincial policies and standards. The Minister of Children and Youth Services appoints a board of community members to govern each CFSA. There are 10 CFSAs, including one specifically focused on services within the eight Métis Settlements. The *Child and Family Services Authorities Act,* a memorandum of understanding and an annual business plan approved by the Minister, establishes the roles and responsibilities for each board.

In each CFSA, two co-chairs are appointed, with one being Aboriginal. As well, a Chief Executive Officer (CEO) ensures CFSA effectiveness and reports to both the Deputy Minister and the respective CFSA Board. The CEO oversees the execution of the board's policies and decisions. Approximately 2,700 staff employed by Children and Youth Services work in the province's 10 CFSAs. CFSAs may contract with community-based agencies to deliver some services.

Services provided by CFSAs include:

- providing casework services in programs such as Child Intervention Services and Family Support for Children with Disabilities;
- licensing and monitoring child care, including day care centres and family day home agencies;
- providing child care subsidies to eligible parents;
- ensuring provincial policies and standards are followed;
- monitoring and assessing the quality of its regional programs for children, youth and families;
- contracting with community agencies to deliver additional services, including family enhancement and early intervention supports and a range of out-of-home placement options (i.e., foster care, group care and supported independent living);
- engaging with their community to assess needs, set priorities and plan and allocate resources; and
- working with other CFSAs, Delegated First Nation Agencies, contracted agencies, communities and businesses, as well as other ministries and governments to coordinate services for children, youth and families.

Youth Secretariat

The Premier appoints a Member of the Legislative Assembly (MLA) as Chair of the Youth Secretariat. The current Chair is Kyle Fawcett, MLA for Calgary North-Hill. The Youth Secretariat works with youth, MLAs, Ministry representatives, government departments and stakeholders. The objectives of the Youth Secretariat include:

- acting as a liaison between the Youth Advisory Panel and the Minister of Children and Youth Services;
- researching emergent youth trends, challenges, opportunities, successes and innovative work that contributes to the well-being of Alberta's children, youth and families;
- actively engaging the Youth Advisory Panel on issues specific to youth at risk to ensure that current initiatives, new programs and legislation are reflective and responsive to the needs of Alberta's children, youth and families; and
- serving as a voice for Alberta's youth within the Government of Alberta.

Social Care Facilities Review Committee

The Lieutenant Governor-in-Council appoints the Social Care Facilities Review Committee members. The committee reports directly to the Minister and is chaired by Art Johnston, MLA for Calgary-Hays. This citizen committee is responsible for:

- reviewing the quality of service provided in certain social care facilities and the manner in which the facilities are operated; and
- investigating complaints or concerns regarding social care facilities, upon the Minister's request.

Children and Youth Services Appeal Panels

The Minister appoints the *Child, Youth and Family Enhancement Act* (CYFE) Appeal Panel, the *Family Support for Children with Disabilities Act* (FSCD) Appeal Committee and the *Child Care Licensing Act* (CCL) Appeal Panel (collectively referred to as Appeal Panels). The CYFE Appeal Panel is chaired by Rob Reimer, the FSCD Appeal Panel is chaired by Diane Assinger and the CCL Appeal Panel is chaired by Kate Coolidge. These citizen panels provide fair, impartial and independent reviews of Ministry decisions to Albertans who are affected by an appealable decision under the respective legislation by:

- hearing appeals; and
- making decisions that confirm, reverse/rescind or vary the decisions under review.

Child and Youth Advocate

Advocacy Services for children and youth receiving child intervention and protection supports in Alberta are an important component in strengthening outcomes for children and youth receiving such services. The Child and Youth Advocate reports to the Minister and operates autonomously from the Ministry in order to carry out its mandated functions:

- representing the rights, interests and viewpoints of children and youth who receive services under the *Child, Youth and Family Enhancement Act* and the *Protection of Sexually Exploited Children Act*;
- providing advice to the Minister on matters relating to the welfare and interest of children and youth receiving services; and
- appointing lawyers to represent the interests of children and youth with respect to matters under the *Child, Youth and Family Enhancement Act* and the *Protection of Sexually Exploited Children Act*.

Delegated First Nation Agencies

To better meet the unique needs of First Nations children and youth living on-reserve, Children and Youth Services recognizes and values the need for First Nation communities to have a role in the design, implementation and evaluation of child intervention services. In some First Nation communities, this involves collaboration between Child and Family Services Authorities (CFSAs) and the First Nations to ensure CFSAs provide appropriate services on-reserve. For 40 of the 47 First Nations in Alberta that provide services under the *Child, Youth and Family Enhancement Act*, this is accomplished through formal agreements between the Ministry, Indian and Northern Affairs Canada and 18 Delegated First Nation Agencies (DFNAs). Through these agreements, each DFNA is accountable and responsible for:

- ensuring that children in need of intervention on the First Nations receive the statutory child intervention services they require;
- delivering these services within the funding provisions of Indian and Northern Affairs Canada; and
- developing community-based early intervention and family enhancement services.

Family and Community Support Services

Family and Community Support Services (FCSS) is a funding partnership between the province and municipalities or Métis Settlements. A total of 317 municipalities and Métis Settlements, organized into 206 programs, provide FCSS-funded services in Alberta. The Ministry of Children and Youth Services funds 80 per cent of the annual budget, while municipalities and Métis Settlements provide the remaining 20 per cent for community-based preventive social services. Under the *Family and Community Support Services Act*, communities have local autonomy for:

- designing and delivering preventive social programs to promote and enhance well-being among individuals, families and communities; and
- engaging community resources and volunteers to support the management and delivery of programs and services.

Alberta's Promise

The Premier's Council on Alberta's Promise is comprised of individuals from the private and not-for-profit sectors and community leaders from across Alberta. An Executive Board acts on behalf of the Premier's Council. Premier and Mrs. Marie Stelmach are Chair and Honourary Chair; the Minister and Deputy Minister of Children and Youth Services also serve as members of the Council. Alberta's Promise achieves its mandate by:

- encouraging funding partners to contribute resources to strengthen community capacity to further the well-being of children, youth and families;
- working with the Ministry to identify priority needs and issues for children, youth and families; and
- educating the funding partners about which investments may have the greatest impact in creating positive outcomes for children, youth and families.

Alberta Centre for Child, Family and Community Research

The Alberta Centre for Child, Family and Community Research (ACCFCR) is an innovative, arm's-length, not-for-profit organization that builds Alberta's capacity for high quality research focused on services related to children, families and communities. The ACCFCR works with Children and Youth Services by:

- addressing the research needs of the Ministry;
- supporting high priority initiatives of the Ministry and Government of Alberta;
- developing an extensive network of collaborative partnerships with the academic community; and
- providing leadership to leading-edge research initiatives such as the Child and Youth Data Lab

Ministry Core Businesses and Goals

The Ministry of Children and Youth Services works in partnership with other ministries and governments as well as agencies and organizations to provide a wide range of services to support vulnerable and at-risk children, youth and families in Alberta. Children and Youth Services has three core businesses, under the direction of the Minister:

CORE BUSINESS ONE:

Prevention - Promoting the development and well-being of children, youth and families

Goal One: Children and youth will have a healthy start in life and the supports they need to reach their potential.

Expected outcomes: Children, youth and families have access to quality information, supports and services to strengthen the family unit and increase their well-being.

CORE BUSINESS TWO:

Preservation and Protection - Keeping children, youth and families safe and protected

Goal Two: Families will be safe, healthy and able to promote children's development.

Expected outcomes: Children, youth and families overcome at-risk circumstances. Children, youth and families are safe, healthy, resilient and self-reliant.

Goal Three: Children in need will be protected and supported by permanent, nurturing relationships.

Expected outcomes: Children and youth in need are protected from further abuse and neglect. Children and youth in care are placed in secure and stable environments that allow for the development of lifelong relationships and connection to family, culture and community.

CORE BUSINESS THREE:

Partnerships - Promoting healthy communities for children, youth and families

Goal Four: The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted and supported.

Expected outcomes: Aboriginal communities have increased support to help meet the needs of their children, youth and families. There are a reduced number of Aboriginal children represented in the child intervention caseload. Aboriginal children, youth and families receive culturally appropriate services.

Goal Five: Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families.

Expected outcomes: Communities are responsive to issues/needs faced by children, youth and families. Children, youth and families participate in decisions that affect them.

Review Engagement Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as "Reviewed by Auditor General" included in the *Ministry of Children and Youth Services' 2009-10 Annual Report.* These performance measures are prepared based on the following criteria:

- Reliability – information agrees with the underlying data and with sources used to prepare it.
- Understandability and Comparability – actual results are presented clearly and consistently with the stated methodology and presented on the same basis as targets and prior years' information.
- Completeness – performance measures and targets match those included in Budget 2009. Actual results are presented for all measures.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to my Office by the Ministry. My review was not designed to provide assurance on the relevance of these performance measures.

A review does not constitute an audit and, consequently, I do not express an audit opinion on these performance measures.

Based on my review, nothing has come to my attention that causes me to believe that the "Reviewed by Auditor General" performance measures in the Ministry's 2009-10 Annual Report are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability, and completeness as described above. However, my review was not designed to provide assurance on the relevance of these performance measures.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
August 27, 2010

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)	Prior Years' Results				2009-10 Target	Current Actual
Core Business One: Promoting the development and well-being of children, youth and families.						
1. Children and youth will have a healthy start in life and the supports they need to reach their potential.						
1.a* Percentage of licensed day care centres and contracted family day home agencies that are accredited.	16.7% 2005-06	30.7% 2006-07	54.0% 2007-08	75.8% 2008-09	**64%**	81.9% 2009-10
Data Source: Child Care Information System						
1.b Percentage of families accessing the Family Support for Children with Disabilities program that indicate the services provided had a positive impact on their child	N/A 2005-06	86.7% 2006-07	N/A 2007-08	86.1% 2008-09	**N/A**	N/A 2009-10
Data Source: Family Support for Children with Disabilities Survey. Survey is conducted biennially by an external survey firm.						
1.c Percentage of Albertans who have information to better help in situations of family violence[1] or bullying[2]	N/A 2005-06	N/A 2006-07	65%[1] 65%[2] 2007-08	N/A 2008-09	**67%[1]** **67%[2]**	73%[1] 65%[2] 2009-10
Data Source: Public Attitudes Towards Family Violence Survey						
[1]Family Violence results and target						
[2]Bullying results and target						
Core Business Two: Keeping children, youth and families safe and protected.						
2. Families will be safe, healthy and able to promote children's development.						
2.a Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse	95.5% 2005-06	95.9% 2006-07	96.1% 2007-08	96.7% 2008-09	**95%**	96.8% 2009-10
Data Source: Women's Emergency Shelter Outcomes Exit Survey						
2.b* Percentage of families accessing ministry programs that indicate positive impacts for their children (Foster Care[3]/Adoption[4])	N/A 2005-06	84.7%[3] 88.8%[4] 2006-07	N/A 2007-08	83.9%[3] 84.4%[4] 2008-09	**N/A**	N/A 2009-10
Data Source: Foster Care Program and Adoption Program Surveys. Surveys are conducted biennially by an external survey firm.						
[3]Foster Care results and target						
[4]Adoption results and target						
3. Children in need will be protected and supported by permanent, nurturing relationships.						
3.a* Percentage of children who suffer injury that results in hospitalization or death while receiving protective services	0.1% 2005-06	0.1% 2006-07	0.1% 2007-08	0.1% 2008-09	**0%**	0.1% 2009-10
Data Source: Child and Youth Information Module (CYIM)						

Performance Measures Summary Table

Core Businesses/Goals/Performance Measure(s)		Prior Years' Results				2009-10 Target	Current Actual
3.b	Number of children, in the permanent care of the Director, for whom Adoption or Private Guardianship Orders are granted	492 (2005-06)	402 (2006-07)	509 (2007-08)	550 (2008-09)	**477**	579 (2009-10)
	Data Source: Child and Youth Information Module (CYIM)						
3.c	Percentage of children and youth who received child intervention (family enhancement or protective services) and did not require protective services within 12 months of file closure	N/A (2005-06)	N/A (2006-07)	87% (2007-08)	86% (2008-09)	**87%**	90% (2009-10)
	Data Source: Child and Youth Information Module (CYIM)						
Core Business Three: Promoting healthy communities for children, youth and families.							
4.	**The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted and supported.**						
4.a*	Percentage of Aboriginal children in foster care/kinship care who are placed with Aboriginal families	35.8% (2005-06)	37.6% (2006-07)	38.5% (2007-08)	38.7% (2008-09)	**45%**	39.9% (2009-10)
	Data Source: Child and Youth Information Module (CYIM)						
5.	**Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families.**						
5.a*	Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services	N/A (2005-06)	49.1% (2006-07)	49.3% (2007-08)	48.7% (2008-09)	**50%**	45.8% (2009-10)
	Data Source: Family and Community Support Services Annual Program Reports. Data for this measure are collected by calendar year and are formally reported in the next fiscal year. Thus, the Current Actual is based on data from the prior calendar year.						

* **Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisks were selected for review by ministry management based on the following criteria established by government:

1. Enduring measures that best represent the goal and mandated initiatives,
2. Measures that have well established methodology and data reporting,
3. Measures that have outcomes over which the government had a greater degree of influence, and
4. Each goal has at least one reviewed performance measure.

For more detailed information, see Performance Measures – Data Sources and Methodology in the Appendix section.

Core Business One:

Promoting the development and well-being of children, youth and families

GOAL 1:

Children and youth will have a healthy start in life and the supports they need to reach their potential

Accomplishments

- Children and Youth Services led nine partnering ministries in the implementation of the 2009-12 Cross-Ministry Prevention of Family Violence and Bullying Action Plan including:
  - implementation of the Performance Measurement Framework for ongoing accountability and outcome measurement; and
  - development of a Research and Evaluation Framework to promote evidence-based decision making.
- Consulted with more than 250 community stakeholders across the province, for input about providing client-centred supports and services to those impacted by family violence to further develop a Family Violence Client-Centred Supports Model.
- Expanded the Safe Visitation Program from seven to eight sites operating in Calgary, Edmonton, Fort McMurray, Grande Prairie, Lethbridge, Lloydminster, Whitecourt and Red Deer. Safe Visitation sites allow children to visit safely with their non-custodial parents when there is a high risk of violence between separated or divorced parents.
- Consulted with the Ministry of Solicitor General and Public Security and law enforcement agencies to establish the Alberta Integrated Threat and Risk Assessment Centre (I-TRAC), formerly ARTAMI, for high-risk family violence situations. I-TRAC offers a multi-disciplinary team that assess threats and develops risk reduction plans in high risk, domestic violence and stalking cases in Alberta. This year I-TRAC had involvement in 113 matters of which 79 involved children and youth, where Children and Youth Services was consulted for information.
- Launched the new Alberta Mentoring Partnership (AMP) website, http://albertamentors.ca, which helps link potential mentors and mentees and provides numerous educational and recruitment tools aimed at increasing the number of mentors and mentoring programs in the province. The website will include an online mentor training course that will be available to all AMP partners in the first quarter of 2010-11. AMP is composed of 29 partners including government ministries, government-funded organizations, community agencies and youth representation.
- Implemented four AMP pilot projects, including one in the Regional Municipality of Wood Buffalo, to increase opportunities for at-risk children and youth to have a mentor. The Wood Buffalo project in Fort McMurray supports Aboriginal youth and youth in care through peer and adult mentoring.
- Published a Provincial Family and Community Support Services (FCSS) Annual Outcomes Report summarizing outcome measures achievements for the 2008 calendar year. Based on the report's findings, FCSS programming is realizing a high degree of success province-wide, with a rate of over 85 per cent in helping people to be active participants in the community and more than 90 per cent in helping people develop an awareness of social needs to better link services to areas of greater need.
- Developed an FCSS Outcome Measures Training Curriculum to provide consistency in understanding, collecting and reporting FCSS outcomes. The Ministry also supported FCSS programs in exploring options for a new database tool to collect outcome information.

- Supported strategic analysis and planning in preventive social services through provision of the FCSS Annual Overview Report in collaboration with the FCSS Association of Alberta, Program Advisory Team and the FCSS Directors' Network. The Overview Report provides information on FCSS expenditures to enable FCSS Programs and the Ministry to analyze trends and plan for future program and service delivery.
- Continued to provide an Educational Bursary Program for FCSS and Parent Link Centre staff, to develop and enhance their leadership skills. Program delivery will be enhanced and sustained by building leadership capacity through formal education and training, strengthening community development skills and supporting and encouraging leadership succession. As of March 31, 2010, 33 bursaries were awarded, up to a maximum of $10,000 per person.
- Implemented the FCSS online system to streamline the processes for FCSS Programs to complete funding requests, funding agreements and annual reports. Savings will be reinvested into programs and services.
- Consulted with parents and other stakeholders as part of a Family Support for Children with Disabilities (FSCD) Multi-Disciplinary Team (MDT) review. The feedback was summarized and recommendations for improvements were developed. All suggestions for improvement were accepted and will be implemented.
- Reviewed the FSCD essential program standards and monitoring tools. Through the review, the standards were updated and training on the revised standards was provided to monitoring staff in Child and Family Services Authorities throughout the province.
- Evaluated the Triple P - Positive Parenting Program Stepping Stones pilots, leading to an expansion of the program so that more parents are able to access support and training to help raise their child with a disability.
- Supported the development of web-based training for behavioural/developmental aides through the Mount Royal University, available to agencies and distance learners across the province.
- Continued to implement a comprehensive plan to support the development of additional affordable, quality child care, with a focus on strategies to create new child care spaces. The Ministry will achieve its goal of creating 14,000 new child care spaces by March 31, 2011.
- Implemented the first year of an accreditation program for out-of-school child care with 9.6 per cent (59 out of 616) programs accredited. The accreditation standards of excellence are an indication of quality child care programs that are over and above provincial licensing requirements.
- Served approximately 35,000 parents and 44,000 children and youth at Parent Link Centres across the province.
- Provided funding to 561 youth in care or formerly in care through the Advancing Futures Bursary Program, to help them achieve their educational goals. In addition to funding, Ministry staff provided support to students by linking them to resources such as subsidized child care, housing and health care services that students may require to be successful in school.
- Improved access and supports to students in the Advancing Futures Bursary Program in the southern part of the province by relocating some Ministry staff from Edmonton to Calgary.

Performance Measures

PERFORMANCE MEASURE 1A

Percentage of licensed day care centres and contracted family day home agencies that are accredited.

Accreditation is voluntary. Programs that have been accredited support children's optimal development, provide practitioners with additional tools to support and maintain high-quality services and provide families with further assurance of high-quality care for their children.

As of the end of 2009-10, 81.9 per cent of licensed and approved day care centres and contracted family day home agencies (521 out of 636) achieved the child care accreditation standards of excellence. This represents an increase of 6.1 per cent over 2008-09 results.

PERFORMANCE MEASURE 1B

Percentage of families accessing the Family Support for Children with Disabilities program that indicate the services provided had a positive impact on their child.

Research indicates that the impact of service provided directly to a child with a disability increases significantly when the service is family centered, the family is satisfied with the service and the family sees benefits for the child. Parent/guardian perception of benefits, in conjunction with supporting indicators of family centredness and satisfaction, is therefore a valid indicator to measure the effectiveness of the Family Support for Children with Disabilities (FSCD) program.

In 2008, the Ministry conducted a survey of families receiving services through the FSCD program to determine their level of satisfaction and the degree to which they felt the program was having a positive impact on their children and family. This survey is conducted every two years.

For the 2008-09 fiscal year, out of the 1,748 families surveyed, 86.1 per cent agreed that involvement with the FSCD program had a positive impact on their child. This is a 0.6 per cent decrease from the 2006 results and is 0.9 per cent short of the target of 87 per cent; however, the result is within the two per cent margin of error for the survey. The 2008-09 results were drawn from a smaller sample population than the baseline survey, which targeted all families receiving support through the FSCD program. The results of the next survey will be reported in 2010-11.

PERFORMANCE MEASURE 1C

Percentage of Albertans who have information to better help in situations of family violence or bullying.

In 2008, the Ministry conducted an initial survey of Albertans 16 years and older to examine public awareness and understanding of family violence and bullying. This survey was re-administered in January 2010. The results for this measure are based on survey questions about exposure to information about family violence and bullying and the extent this information enabled respondents to feel better able to help in a family violence or bullying situation.

From a sample of 977 respondents, 73 per cent reported they had seen, read or heard information that enables them to better help in family violence situations. This result exceeds the target of 67 per cent. Of the same sample, 65 per cent reported that they had seen, read or heard information that enables them to better help in bullying situations; the target was 67 per cent.

This measure is used to track long-term changes in Albertan's knowledge of family violence and bullying and informs future supports and services. This survey is conducted every two years. The next survey will be re-administered in January 2012, with the results reported in 2012-13.

SUPPLEMENTAL PERFORMANCE MEASURE

Percentage of youth who received a bursary from Advancing Futures who completed their planned studies during the fiscal year.

Advancing Futures assists youth who have been or continue to be in the care of Children and Youth Services. Currently 3,436 youth in care or formerly in care, between the ages of 18-22, meet the eligibility criteria for Advancing Futures. The program provides funding to support youth in achieving their educational goals and leads them to obtaining meaningful employment. Youth are invited to apply if they would like to obtain their high school General Equivalency Diploma (GED), upgrade through adult education or enrol in a post-secondary school for a degree, diploma or trade certificate.

During the 2009-10 fiscal year, 561 were approved to receive a bursary. This is a 14 per cent increase over the 2008-09 fiscal year and a 111 per cent increase since the program began. Of the students receiving an Advancing Futures bursary, 79 per cent successfully completed their planned studies in the 2009-10 fiscal year.

Advancing Futures takes a strength-based approach to supporting youth and recognizes the potential of students to reach their educational goals and overcome challenges they may face. Measuring the percentage of youth successfully completing their planned studies provides Advancing Futures with the opportunity to assess both the students' and program's success.

Core Business Two:

Keeping children, youth and families safe and protected

GOAL 2:

Families will be safe, healthy and able to promote children's development

Accomplishments

- Expanded the community-based family violence victims' supports outreach pilot sites from six to nine (two in Edmonton, two in Calgary and five rural) to support Aboriginal and immigrant communities affected by family violence. In the first six months of the year the sites served 420 people and 220 families, and over 500 supportive referrals were completed.
- Collaborated with the Alberta Council of Women's Shelters and women's emergency shelter directors to identify key outcomes for an outcomes-based approach to contracted services: women and children accessing shelters are safer; women and children have increased knowledge about family violence; women have increased awareness of the impact violence has on themselves and their children; community awareness and support is increased; and women's ability to care for themselves and their children is increased.
- Increased funding by five per cent to women's emergency shelters for salaries and benefits to assist them in attracting and retaining qualified staff.
- Allocated $1 million to implement the Women's Shelter Child Care Program, as part of the Ministry's *Creating Child Care Choices* plan, to include opportunities for increased support for quality child care for families receiving services from women's emergency shelters. In 2009-10, funding was provided to 25 programs and 270 specialized child care spaces were created.
- Provided $1.7 million to nine sexual assault centres and the provincial association, the Alberta Association of Sexual Assault Centres, to support services for victims of sexual violence including direct services for victims (crisis counseling, police and court support, education, outreach and support to volunteers).
- Continued implementation of Alberta's Bullying Prevention Strategy, focused on preventing bullying behaviours and giving children, youth and adults skills and strategies to stand up to bullying at a local level.
- Provided $1 million in grant funding to support communities to help address bullying, including supporting the Roots of Empathy Program in 400 Alberta classrooms. Roots of Empathy is a community-based violence prevention program that aims to reduce aggression by teaching empathy. Grants were also provided to fund six Taking Action on Bullying partnerships between schools and Parent Link Centres, which provide skills and strategies to parents and children to deal with bullying.
- Continued the implementation of Safe Communities pilot projects in Parent Link Centres (PLCs) by:
    - expanding the delivery of the Triple P – Positive Parenting Program (Triple P) and implementing the Ages and Stages Questionnaire – Social-Emotional Scale (ASQ-SE), which focus on both child and family risk factors. Triple P is an evidence-based, multi-level system of parenting supports designed to help parents of children age 0-16 years old learn effective ways to deal with the challenges of parenting.
    - providing Triple P training to approximately 100 staff in PLCs.

  - expanding delivery of Triple P – Positive Parenting Program (Triple P) Levels 2 and 3 to 45 Parent Link Centres (PLCs). Nineteen PLCs in Calgary and Area, Edmonton and Area and North Central Child and Family Services Authorities (CFSAs) continued to offer Level 2 and 3, as well as Level 4 Group Triple P for parents requiring more intensive supports.
  - implementing a partnership with Calgary and Area and Edmonton and Area CFSAs to train 20 staff from the CFSA and/or contracted agencies to deliver Level 4 Individual and Level 5 Triple P. This is a first step toward establishing the full continuum of Triple P services in CFSAs.
  - presenting a Triple P provincial symposium and webcast, in collaboration with the Alberta Centre for Child, Family and Community Research, about the positive impacts Triple P can have in helping prevent child maltreatment. There were 239 individuals in attendance at the symposium and 397 sites participated online via webcast.
  - screening children using the Ages and Stages Questionnaire – Social-Emotional Scale (ASQ-SE), and referring children whose scores indicate they may have social-emotional challenges to community resources for further assessment and/or follow-up services, in order to support them before child intervention services are needed. In 2009-10, 1,025 children were screened using the ASQ-SE.
- Increased the number of targeted Fetal Alcohol Spectrum Disorder (FASD) prevention programs in Alberta from 11 to 22 and the number of FASD assessment and diagnostic clinics from 11 to 20. Access to these programs and services, along with daily living supports for those affected by FASD and their families, is provided through 12 FASD Service Networks that each offer a regional single point of access for FASD programs and services across the province.
- Provided learning opportunities to further support caregivers, individuals and professionals affected by FASD across the lifespan. An FASD conference focused on caregiver well-being was held in February 2010, and an FASD Learning Series delivered 18 sessions via video conference to locations around Alberta and beyond.
- Completed a mid-term evaluation of the FASD Community of Practice research project which brings together stakeholders to improve outcomes and placement stability for children and youth in care, who are diagnosed or suspected of having FASD. Mid-term results of the research project show that the promising practices are increasing positive interactions between caregivers, caseworkers and children with FASD in their care, thereby stabilizing the child's placement.
- Partnered with CFSAs, Delegated First Nation Agencies (DFNAs) and other ministries to enhance outcomes for high-risk youth through the High-Risk Youth Action Plan. Existing programs and services provided to high-risk youth were reviewed and leading practices within CFSAs and DFNAs were compiled. Recommendations were developed to apply leading practices across the province to enhance services to high-risk youth.
- Completed a review of youth homelessness in Alberta and established a cross-ministry committee to assist implementing its suggested policy changes. The changes aim to improve access to existing Government of Alberta services and increase intervention strategies for youth when they become homeless.
- Provided family enhancement services to 6,530 children, youth or young adults. Earlier intervention through family enhancement services helps to support families before child protection services are necessary, and ensures children can be cared for safely in the family home.

Performance Measures

PERFORMANCE MEASURE 2A

Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse.

Women's emergency shelters provide services and temporary safe places for families who are dealing with family violence to help them become safer and more self-reliant. This measure is based on a women's emergency shelter exit survey conducted between April 1, 2009 and March 31, 2010. It provides an indication of the extent to which shelter services have helped to lessen the vulnerability and reduce the future risk of abuse for women and their children who were shelter residents.

The result reported is in response to the question: "As a result of my shelter stay, I am more able to keep myself (and the children in my care) safer from abuse." The 2009-10 result of 96.8 per cent exceeded the target of 95 per cent.

PERFORMANCE MEASURE 2B

Percentage of families accessing Ministry programs that indicate positive impacts for their children.

Every two years, Children and Youth Services conducts satisfaction surveys of two key client groups, Albertans who access the foster care and adoption programs. Families are asked if Ministry programs have had positive impacts on their children or the children in their care. The latest surveys were conducted in 2008-09. The results for foster care and adoption were 83.9 per cent and 84.4 per cent, respectively.

Despite an increase in the percentage of foster parents satisfied overall with the services of the foster care program (84.9 per cent in 2008, compared to 82.4 per cent in 2006), the percentage indicating that the program had a positive impact on their foster child decreased slightly (83.9 per cent in 2008, compared to 84.7 per cent in 2006).

The result of the measure for the adoption survey for 2008-09 was 84.4 per cent. Results for this measure have varied considerably each time the survey has been conducted (from 86.1 per cent in 2002-03, to 81.4 per cent in 2004-05, and up to 88.8 per cent in 2006-07). One of the main concerns adoptive parents noted in the survey was the length of the adoption process. Finding the right placement for each child is of the utmost importance and, depending on the circumstances, can take more time than families expect. Adopting a child is about relationship building and the time taken to complete an adoption will vary on a case-by-case basis.

GOAL 3:

Children in need will be protected and supported by permanent, nurturing relationships

Accomplishments

- Supported the continued implementation of child intervention services Casework Practice Model (CWPM) in all 18 Delegated First Nation Agencies (DFNAs).
- Worked with DFNAs to identify related training and information technology needs for the continued implementation of the CWPM.
- Engaged DFNAs in a monitoring process that included Child and Family Services Authorities (CFSAs) and other Ministry staff to ensure a consistent method for gathering and monitoring child intervention service information across the province.
- Updated and disseminated training modules and a procedures manual for members of the Ministry's Appeal Panels.
- Hosted a two-day Child Intervention Services Outcomes Forum, in collaboration with the Alberta Centre for Child, Family and Community Research, for over 300 Ministry staff and contracted agency representatives to discuss outcomes for children and youth requiring child intervention service.
- Partnered with contracted agencies to continue the development of an outcomes-based service delivery system for child intervention services.
- Two CFSAs - Calgary and Area and Edmonton and Area - collaborated with the contracted agency sector on the development of a model for Phase-in pilot sites for the outcomes-based service delivery initiative in their regions.
- Continued the province-wide foster parent and Aboriginal caregiver recruitment campaign. Completed an assessment to identify specific placement needs for children and youth in care in CFSAs and DFNAs across the province, which will assist with caregiver recruitment strategies.
- Launched A Child's Hope Initiative and website, http://achildshope.alberta.ca/home/, which is being used as a caregiver recruitment tool.
- Supported the implementation of the Structured Analysis Family Evaluation (SAFE) home assessment tool, and continued to work with the DFNAs to establish a culturally appropriate home study process.
- Worked to increase permanency outcomes for children and youth in care by increasing the number of children and youth who are adopted or placed in Private Guardianship arrangements, decreasing the time children and youth spend in care and increasing the number of children receiving child intervention services who are served at home through family enhancement.
- Placed 579 children and youth in permanent care of the Ministry into adoptive homes and private guardianship arrangements.
- Supported kinship care as a permanent placement option for children and youth in care, including Aboriginal children and youth, as a way of maintaining a child's significant relationships and cultural connections.

- Released the Kinship Care Review Report and Implementation Plan to enhance policy and practice in the areas of safety and assessment when placing children immediately with a kinship caregiver, support for kinship caregivers and relevant training for kinship caregivers.
- Collaborated with Aboriginal stakeholders to enhance the Ministry's culturally appropriate training by increasing Aboriginal content in Online Orientation for staff and the Delegation Training module, *Working with Aboriginal Communities.*
- Emphasized cultural diversity as a theme throughout Delegation Training for child intervention staff, case assessment and planning activities.

Performance Measures

PERFORMANCE MEASURE 3A
Percentage of children who suffer injury that results in hospitalization or death while receiving protective services.

This measure describes the proportion of children and youth receiving child protective services who experience an injury that results in hospitalization[2] or in death, regardless of the type of injury (for example, accidental or self-inflicted injuries). Children and youth receiving child protective services may be in the care of their parents or the Director of the *Child, Youth and Family Enhancement Act.*

In 2009-10, 0.1 per cent of children and youth in care (nine children) suffered an injury that resulted in hospitalization or death while receiving protective services. Three of the nine children died. One child died as the result of a household accident, another child died as a result of a physical altercation with another child, and the third child died from suspected abusive head trauma. Of the remaining six children who required hospitalization, two sustained injuries caused by motor vehicle collisions (struck by vehicles), two had alcohol poisoning, one had a drug overdose and one child was injured while riding a bicycle. Four of the nine children were Aboriginal, including all three who passed away.

The Ministry has set the target for this measure at zero, the highest possible standard for practice, and is committed to continuous improvement to ensure children in care are safe. However, even with best efforts to protect children in care, at times, they can still get hurt. In Canada, more children die annually from injuries than from all childhood diseases combined. Falls are the number one cause of child injury in the general child population and motor vehicle collisions are the leading cause of child deaths caused by injuries.

Overall, the Ministry's results for this measure are lower than those for the general child population in Alberta (0.47 per cent in 2008-09)[3]. The Ministry continues to take actions intended to improve results for this measure. Recommendations from each review conducted as a result of a serious injury or death of a child in care are implemented, including any recommended changes to policy or practice.

[2] Hospitalization refers to a child who received medical intervention that required an overnight stay in a hospital.
[3] Estimated based on data from Alberta Health and Wellness and Alberta Justice (Office of the Chief Medical Examiner Unpublished.

This measure is based on one of the 10 indicators in the Canadian National Child Welfare Outcomes Indicator Matrix (NOM). This Matrix provides a framework for tracking outcomes for children and families receiving child welfare services that can be used as a common set of indicators across jurisdictions (for more information on the NOM please visit: http://www.cecw-cepb.ca/national-outcomes-matrix).

PERFORMANCE MEASURE 3B

Number of children, in the permanent care[4] of the Director, for whom Adoption or Private Guardianship Orders are granted.

All children and youth have the right to a loving and nurturing home environment and to belong to a family. The *Child, Youth and Family Enhancement Act* places emphasis on securing permanency for children and youth who are not able to return to their parents' care, by encouraging early and ongoing planning for adoption or private guardianship.

In 2009-10, 579 children were placed in permanent homes, exceeding the target of 477. Of these, 380 were by Adoption Orders and 199 were under Private Guardianship Orders.

Engaging with families, and supporting them to address their challenges and needs, is a focus of intervention services. There are, however, situations where it becomes necessary to remove children from their natural family to ensure their safety and protection. Although reunification with the natural family is always the desired outcome, there are circumstances that prevent this from occurring for some children.

When a child is unable to remain with their natural family, alternative permanent familial homes are sought. The permanency plan and placement varies depending on the unique needs of each child. This performance measure is an indicator of the Ministry's ability to place children who are in the permanent care of the Director of the *Child, Youth and Family Enhancement Act* into stable, long-term, adoptive or private guardianship homes.

This measure is based on one of the 10 indicators in the Canadian National Child Welfare Outcomes Indicator Matrix.

[4] Permanent care refers to children in the following legal authorities under the *Child, Youth and Family Enhancement Act*: Permanent Guardianship Orders, Permanent Guardianship Agreements.

PERFORMANCE MEASURE 3C

Percentage of children and youth who received child intervention (family enhancement or protective services) and did not require protective services within 12 months of file closure.

This measure describes the proportion of children who did not require child protection services within 12 months after their child intervention file closure. A child intervention file closure refers to the conclusion of either family enhancement or child protection supports. In 2009-10, 90 per cent of families who received child intervention services did not require subsequent child protection supports within one year of their file closure. This result exceeds the target of 87 per cent.

The Ministry has implemented the Casework Practice Model (CWPM) province-wide. The model is built on leading practices and focuses on better assessment and collaboration to provide the right services to children, youth and families at the right time. Building on the foundation of the *Child, Youth and Family Enhancement Act*, the CWPM supports focusing on meaningful interventions that are built on family strengths identified by completing a thorough assessment early in child intervention involvement. This assessment allows for interventions to be more targeted and effective.

Children who may be in need of intervention services are identified from concerns raised by the community or by self referral. Information is then gathered to assess the current situation and plan for how best to address the concern.

This measure is based on one of the 10 indicators in the Canadian National Child Welfare Outcomes Indicator Matrix. Baseline information was reported for this measure in 2008-09.

Core Business Three:

Promoting healthy communities for children, youth and families

GOAL 4:

The well-being and self-reliance of Aboriginal children, youth, families and communities will be promoted and supported.

Accomplishments

- Worked with First Nations and the Aboriginal and Métis communities to improve outcomes for Aboriginal children, youth and families, with a particular focus on urban Aboriginal people.
- Facilitated opportunities for First Nations and the Aboriginal and Métis communities to provide input into a review of the Child Intervention Services system. Also ensured the participation of Delegated First Nations Agency (DFNA) representatives in policy development related to implementing the Kinship Care Review Report recommendations.
- Worked jointly with DFNAs and Indian and Northern Affairs Canada (INAC) to address operational and program matters related to the delivery of child intervention and family enhancement services for First Nations children, youth and families and successfully negotiated the renewal of agreements with five DFNAs to deliver child intervention services to band members.
- Supported DFNAs to implement family enhancement services, in alignment with the child intervention services Casework Practice Model, to meet the needs of First Nations children, youth and families.
- In collaboration with DFNAs and INAC, supported and participated in the federal government's evaluation of the Enhanced Prevention Focused Approach in Alberta for the First Nations Child and Family Services Program, which provided funding to implement family enhancement services for First Nation families. Also worked with DFNAs to provide training to DFNA family enhancement workers.
- Renewed 21 early intervention contracts with 17 DFNAs to provide cultural awareness, elder services and youth programs for First Nation children and youth in the care of the Ministry.
- Worked with Aboriginal partners, Child and Family Services Authorities (CFSAs), DFNAs and the Métis Nation of Alberta Association to conduct cultural planning for Aboriginal children and youth in care to promote permanency and connection to their culture and community.
- Consulted with Métis Settlements CFSA and the Métis Nation of Alberta Association to review the Métis Children and Youth Cultural and Permanency Planning Report.
- Assisted the Ministry of Aboriginal Relations to conduct a survey to identify needs and issues for urban Aboriginal people.
- Worked with the Provincial Aboriginal Advisory Committee to develop a strategic framework to increase the number of Aboriginal staff providing Ministry services to Aboriginal children, youth and families.
- Identified challenges and recommended strategies to strengthen Ministry processes for recruitment, retention and professional development of Aboriginal staff.
- Provided 21 bursaries to Métis and non-status Aboriginal people studying in the social services field, to help increase the number of Aboriginal social workers in the province.

Performance Measures

PERFORMANCE MEASURE 4A

Percentage of Aboriginal children in foster care/kinship care who are placed[5] with Aboriginal families[6].

This measure is an indicator of Aboriginal children and youth receiving culturally appropriate services, through foster care or kinship care. Kinship care is a placement with extended family or others who have a significant relationship with the child. It is often the preferred option for placement, particularly for Aboriginal families, given the pre-existing relationship between the child and caregiver.

In 2009-10, 39.9 per cent of Aboriginal children in foster or kinship care were placed with Aboriginal families. This result falls below the target of 45 per cent; however, results have been gradually improving since 2005-06.

Several factors may have influenced the result this year. Foster parents are committed to the care and nurturing of children, and many have adopted the children in their home and as a result are no longer interested in fostering. The Ministry has invested in an ongoing provincial recruitment campaign for additional homes and Aboriginal caregivers.

This measure is based on one of the 10 indicators in the Canadian National Child Welfare Outcomes Indicator Matrix.

---

[5]Placement refers to the primary location (parental or extended family home, adoptive home, foster home, group home or treatment centre) in which a child or youth receiving intervention services resides. Placements can range from one day to an indefinite period of time.

[6]The data source used for this measure provides information on a child's racial origin. Approximately 1.2 per cent of 2009-10 child protection cases in the Child and Youth Information Module (CYIM) did not specify racial origin due to the client's desire to not indicate their racial ancestry. Therefore, these results may not include all Aboriginal children receiving child protection services. For this measure, a foster or kinship care family is determined to be Aboriginal when the foster care home is denoted as Aboriginal or the caregiver's racial origin is identified as Aboriginal in CYIM. For approximately 1.6 per cent of foster homes in 2009-10, it was not known if the foster care family is Aboriginal or non-Aboriginal. Therefore, the percentage of Aboriginal children in foster care who are placed with Aboriginal families may be slightly different than reported.

GOAL 5:

Communities will have the capacity for shared planning and delivery of services that promote the well-being of children, youth and families

Accomplishments

- Worked with partnering ministries in the Alberta Child and Youth Initiative to implement a new approach which increased formal and informal communication and contact between key decision makers, relevant ministries and other partners, which resulted in alignment of cross-ministry work with:
  - government-wide initiatives, including the Safe Communities Initiative, Setting the Direction and the Social-based Assistance Review; and
  - research-based best practices, including the Norlien Foundation's work on Early Brain & Biological Development.
- Completed the Child and Family Services Authority (CFSA) Governance Review and began working on a new Accountability Framework for the CFSA boards.
- Provided specialized training workshops for CFSA board members and co-chairs, including orientation to Ministry programs and governance roles and responsibilities.
- Completed 11 new appointments and 29 reappointments to the 10 CFSA boards.
- Completed several major research projects that supported policy development, program improvement and decision-making throughout the Ministry. These research projects focused on Outcomes-based Service Delivery, Inclusive Child Care and services for those affected by family violence.
- Worked with the Alberta Centre for Child, Family and Community Research and nine partnering ministries on the continued development of the Child and Youth Data Lab Initiative, which will provide evidence-based research to help the government improve the efficiency and effectiveness of policies, programs and services for Alberta's children and youth.
- Increased Alberta's Promise partner base to more than 1,175 partners including agencies, businesses and communities. Alberta's Promise rallied its partners and Premier's Council Members to support the Alberta Mentoring Partnership, which helps link youth with positive role models in their community. Renewed Alberta's Promise Premier's Council Members for a three-year term to help promote community strategies and further the well-being of Alberta's children and youth.
- Developed the provincial Family Violence and Bullying Training Framework curriculum to support front-line responders, including child intervention workers, shelter staff, law enforcement personnel and educators.

- Implemented public awareness and education initiatives to increase the awareness and understanding of family violence and supports available for Aboriginal and immigrant families affected by family violence, including translated print resources, public awareness advertising in Aboriginal and multicultural publications and radio advertisements. All advertising highlighted that the Family Violence Information Line (310-1818) is available toll-free, 24 hours a day, seven days a week, to all Albertans, and provides help in more than 170 languages.
- Implemented public awareness and education initiatives to increase awareness and change attitudes about bullying behaviours across Alberta, including a successful online advertising campaign for youth aged 13-24 and their parents. All advertising highlighted that the provincial Bullying Helpline (1-888-456-2323) is available toll-free, 24 hours a day, seven days a week, to all Albertans, and two bullying prevention websites, www.bullyfreealberta.ca (which received 105,347 visits during the fiscal year) and www.b-free.ca (which received 137,151 visits during the fiscal year). Additional print resources specifically for Aboriginal and immigrant communities were created.
- Provided $3 million through the Community Incentive Fund to 91 projects across the province to take local action on family violence and bullying.
- Provided over $2 million in grant funding to 13 communities across the province for collaborative family violence initiatives to help communities work together to provide victim supports.
- Selected 19 youth to serve a one-year term on the 2009-10 Youth Advisory Panel. Panel members advised the Ministry on a number of issues affecting youth, such as the experience of receiving protective services, homelessness and the challenges facing Aboriginal and immigrant youth, as well as youth with disabilities. Ministry staff consulted panel members on factors causing youth homelessness, future trends affecting youth and the Alberta Gang Crime Suppression Initiative.
- Developed plans in the Child and Family Services Authorities (CFSAs) to better engage youth in the operations of the CFSAs, including regional councils; youth-led consultations with youth in care, ethno-cultural youth, and the gay, lesbian and transgendered communities; and youth-driven regional conferences.
- Consulted with local Family and Community Support Services (FCSS) board members and program staff to help develop the Ministry Business Plan. FCSS board members and staff provided valuable information on current issues and emerging trends, along with their strategic prevention and partnership priorities to benefit children, youth and families in communities across Alberta.
- Continued to build partnerships with local CFSAs, Parent Link Centres, other ministries, schools, the provincial health authority, federal government and other community organizations to improve communities' responses and services offered to children, youth and families.
- Led the development, implementation and evaluation of a province-wide Community of Practice, in support of the Fetal Alcohol Spectrum Disorder (FASD) 10-Year Strategic Plan, which is implementing and evaluating the benefits of promising practices for children and youth in care with FASD.
- Implemented an Innovation and Improvement Framework to support a number of Ministry initiatives, including the FASD 10-Year Strategic Plan; the Aboriginal Staff Recruitment, Retention and Engagement Strategy; and the Child Intervention Services Outcomes Based Service Delivery Initiative. Support included the establishment of initiative-focused Communities of Practice to optimize the talents and expertise of staff and community in finding solutions to complex challenges, manage change and address Ministry priorities, and the introduction of on-line resources to support ongoing collaboration for all Community of Practice stakeholders.

- Partnered with Parent Link Centres in five CFSAs on Innovative Approaches to Preschool Developmental Screening and Follow-up Services projects funded by the Ministry of Health and Wellness. These five projects have employed strong, collaborative partnerships to develop innovative, community-based, family-centered service delivery models to maximize resources.
- Established partnerships between Parent Link Centres and schools, health and other community agencies to support comprehensive service delivery to families to prevent the future need for more intensive services. These include partnerships with preschool programs, child care programs, early literacy programs, local health units, and home visitation programs.

Performance Measures

PERFORMANCE MEASURE 5A

Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services.

The Ministry, participating municipalities and Métis Settlements jointly fund preventive social programs through Family and Community Support Services (FCSS) that serve all age groups, including seniors. Programs and services provided by FCSS help ensure that Alberta's children and families have access to a strong network of prevention supports before there is a need for crisis intervention.

Municipalities and Métis Settlements collectively expended 45.8 per cent of their FCSS funding on services for children, youth and families (Section 2, Category A and B, of the Annual FCSS Program Report). This result was below the 2009-10 target of 50 per cent.

Local autonomy is a key FCSS Program principle. Since each participating municipality or Métis Settlement determines how best to allocate its funding to serve community needs, some fluctuation in meeting the projected target is expected. The result represents expenditures of $49 million in the children/youth/families categories in 2008. Expenditures reported in all FCSS project and service categories totaled $107.1 million (the Ministry contributed $70.1 million, and municipalities, Métis Settlements and other revenue sources contributed $37 million).

Ministry Financial Analysis

Results of Operations

In 2009-10, the Ministry's total spending increased by $46.6 million or 4.3 per cent compared to 2008-09. This is consistent with the approved budget increase in Budget 2009 for the delivery of core programs.

Revenues

Consolidated revenue was $388.2 million, which was $9.2 million or 2.4 per cent higher than budget. This is because the Ministry's share of the federal government's Canada Social Transfers Payments increased. In addition, there were increases in recoveries from Indian and Northern Affairs Canada (INAC) for services delivered by the Ministry on First Nation reserves; and increases due to refunds of prior year expenditures.

The Ministry's consolidated revenue was approximately $15.8 million or 3.9 per cent lower than in the previous year. This reflects decreases in transfers from the Government of Canada.

Comparison of 2009-10 Budget to 2009-10 Actuals

Family Support for Children with Disabilities (FSCD)

The FSCD program provides a range of family-centred services to strengthen families' ability to actively engage in their child's growth and development through caring for their child in the family home. The program assists with some of the extraordinary costs of raising a child with disabilities. The *Family Support for Children with Disabilities Act* ensures consistency in families' access to support and services across the province for their child with a disability. It also recognizes and respects the ability and responsibility of families as the primary source of care and support for their child.

The FSCD program expenses were $8.8 million over budget due to a rise in the cost-per-case resulting from increased demands from families in areas such as Specialized Services, Child-Focused Services and Family Support Services.

Child Care

The child care program supports accessible, affordable and quality child care options for working and stay-at-home parents with both preschool and school-age children. This goal is achieved through the licensing and inspection of child care programs, delivery of the child care subsidy program and a child care space creation initiative which includes funding to support the establishment of new child care spaces in various settings, and through the provision of modulars for school boards and Métis Settlements.

Child care accreditation and staff certification are designed to enhance quality child care programming and support the attraction and retention of qualified child care staff.

The Child Care budget was $1.94 million under budget as a result of unexpected delays in the manufacturing of modular units planned for child care space creation in 2009-10.

Fetal Alcohol Spectrum Disorder (FASD)

The FASD initiatives strengthen the capacity and self-reliance of communities to deliver services that support the well-being of families affected by FASD. The services, built on a foundation of community partnerships, include awareness and prevention; assessment and diagnosis; supports for individuals and caregivers; and activities in the areas of research, strategic planning, training and education.

The FASD program was $2.2 million under budget primarily due to extending some FASD initiatives into the new fiscal year.

Child Intervention Services

The Child Intervention program includes Family Enhancement and Child Protection Services as described in the *Child, Youth and Family Enhancement Act*. Family Enhancement services focus on providing support to families and connecting them to appropriate community resources to avoid crisis and keep the children in their own homes. Child Protection includes services that are provided when a child or youth is at high risk of physical, sexual or emotional harm and the family is unwilling or unable to resolve the risks voluntarily. In some situations, a child must be removed from the home because of ongoing and serious safety concerns.

The Child Intervention program was $1.6 million over budget. This is due to a rise in cost-per-case both in terms of complexity of cases and the type and level of services required for keeping children safe. Supports for Permanency costs also increased because of greater success in finding permanent placements for children and youth in care.

Prevention of Family Violence and Bullying

The Government of Alberta's Prevention of Family Violence and Bullying Initiative provides a coordinated provincial response to preventing family violence and bullying and supporting those affected. Support is provided to communities in working towards coordinated community responses to family violence and bullying that includes a comprehensive range of prevention, intervention, outreach and follow-up services and supports for children and family members affected, and working with women's emergency shelters and sexual assault centres to support individuals and families affected by family violence to live safely in their homes and communities.

The Prevention of Family Violence and Bullying program was $1.5 million under budget due to the government-wide hiring restraint, administrative cost reductions and more targeted implementation of public awareness and education initiatives, as a result of cost management strategies.

Alberta's Promise

Alberta's Promise encourages corporations, not-for-profit agencies and communities to direct more resources (financial, gifts-in-kind and volunteerism) to child and youth programs in Alberta. Alberta's Promise identifies priority needs and issues and educates the funding community as to where best to invest their resources for greatest impact. The program also mobilizes a network of partners to rally around identified child and youth-related issues.

The program was approximately $1 million under budget due to the government-wide hiring restraint and cost-management strategies, including reduction in travelling, advertising, material and supplies and contract services costs.

Community Initiatives

The program is intended to strengthen the capacity and self-reliance of communities for shared planning and delivery of services to meet the needs of children, youth and families.

The program was $0.8 million under budget due to reduced travelling, advertising, material and supplies and contract services costs, as part of the implementation of government-wide cost management strategies.

Ministry and Program Support

The Ministry and Program Support was under budget by $3.5 million, due to the government-wide hiring restraint, as well as some information technology contracts being delayed, and reduced training, travel and other administrative costs.

Amortization Expense

Under budget by $1.8 million because the development of the Intervention Services Information System continued to be in progress and therefore the planned amortization could not be utilized.

Comparison of 2009-10 Expenses by Core Business

Core Business	2009-10 Authorized Budget ($000)	2009-10 Actuals ($000)	2008-09 Actuals (Restated) ($000)
1. Promoting the development and well-being of children, youth and families.	487,564	489,935	448,939
2. Keeping children, youth and families safe and protected.	573,349	574,465	563,265
3. Promoting healthy communities for children, youth and families.	15,937	14,216	15,508
TOTAL MINISTRY EXPENSE * **	**1,076,850**	**1,078,616**	**1,027,712**

*** The amounts do not include Equipment/Inventory Purchases, Ministry or Program Support and Statutory expenses.

Comparison of 2009-10 Budget to 2009-10 Actuals

- **Core Business 1:**
  Promoting the development and well-being of children, youth and families

  Actual spending for Core Business 1, which represents 45.4 per cent of the total core business expenses, was $2.4 million over budget due to increased expenses incurred in Family Support for Children with Disabilities (FSCD). The FSCD increase was mainly due to a rise in cost-per-case resulting from increased demands experienced by Child and Family Services Authorities in areas such as Specialized Services, Child-Focused Services and Family Support Services initiatives.

  The above increase was partially offset by under expenditure in the Child Care, Prevention of Family Violence and Bullying (PFVB) programs and Fetal Alcohol Spectrum Disorder (FASD) programs.

  The Child Care under expenditure was due to unexpected delays in the manufacturing of modular units planned for child care space creation.

  The PFVB under expenditure was due to the government-wide hiring restraint, administrative cost reductions and more targeted implementation of the public awareness and education initiatives, as a result of cost management strategies.

  The unexpended fund in FASD program was primarily due to extension of some FASD initiatives into the new fiscal year.

- **Core Business 2: Keeping children, youth and families safe and protected**

  Actual spending for Core Business 2, which represents 53.3 per cent of total core business expenses, was $1.1 million over budget. This was primarily due to higher expenses in the Child Intervention program to address an increase in cost-per-case, both in terms of complexity of cases and the type of and level of services required for keeping children safe. Additionally, success in finding permanent placements for children and youth in care increased the costs associated with the Supports for Permanency program.

- **Core Business 3: Promoting healthy communities for children, youth and families**

  Actual spending for Core Business 3, which represents 1.3 per cent of total core business expenses, was $1.7 million under budget due to cost management strategies which included the Government of Alberta hiring restraint, and a reduction in travelling, advertising, material and supplies, and contract services costs.

Comparison of 2009-10 Actuals to 2008-09 Comparable Actuals

- **Core Business 1:**
  Promoting the development and well-being of children, youth and families

  The increase of $41 million or 9.1 per cent in expenses for Core Business 1 is primarily due to higher spending in the Child Care, the Family Support for Children with Disabilities, Fetal Alcohol Spectrum Disorder (FASD) and Prevention of Family Violence and Bullying programs.

  Child Care expenses were higher due to increased investments in child care subsidies for low- and middle-income families. Also, more child care programs were licensed and accredited, resulting in more programs qualifying for accreditation funding. In addition, delay in the construction of modular units in 2008-09 resulted in more costs being incurred in 2009-10.

  The Family Support for Children with Disabilities program expenses were higher due to funding provided to support caseload growth. As well, costs-per-case increased as a result of increased demand for Specialized Services and Family Support Services.

  The FASD program expenses increased because funding for 12 FASD networks was deferred to 2009-10 to align with the fiscal year instead of the calendar year.

  The Prevention of Family Violence and Bullying program expenses increased to provide shelters for women with additional funding for salaries and benefits, to attract and retain staff; for the Women's Shelter Child Care Program as part of government's *Creating Child Care Choices* plan; and to further support Aboriginal and immigrant communities affected by family violence.

- **Core Business 2: Keeping children, youth and families safe and protected**

  The increase of $11.2 million in expenses for Core Business 2 is due to higher spending in the Child Intervention Services program and Foster Care Support programs.

  The Child Intervention program increase was due to rising costs for Supports for Permanency as a result of greater success in finding permanent placements for children and youth in care. In addition, front-line activity costs and cost-of-living allowances provided to contracted agencies increased.

  The increase in the Foster Care Support program was due to increases in basic maintenance payments for foster parents and enhanced training and recruitment of foster and kinship care providers.

- **Core Business 3: Promoting healthy communities for children, youth and families**

  The decrease of $1.3 million or 8.3 per cent in expenses for Core Business 3 is primarily due to under expenditure experienced in Community Initiatives and Alberta's Promise.

  The Community Initiatives program decrease was due to reduced travelling, advertising, material and supplies, and contract services costs, as part of the cost-management strategies.

  The decrease in Alberta's Promise program expenses was due to the government-wide hiring restraint, and a reduction in travelling, advertising, material and supplies and contract services costs.

Financial Information

MINISTRY OF CHILDREN AND YOUTH SERVICES

CONSOLIDATED FINANCIAL STATEMENTS

Year ended March 31, 2010

50 Auditor's Report

51 Consolidated Statements of Operations

52 Consolidated Statements of Financial Position

53 Consolidated Statements of Cash Flows

54 Notes to the Consolidated Financial Statements

61 Schedule 1 - Revenues

62 Schedule 2 - Expenses - Directly Incurred Detailed by Object

63 Schedule 3 - Budget

64 Schedule 4 - Comparison of Expenses - Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget

65 Schedule 5 - Related Party Transactions

66 Schedule 6 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the consolidated statements of financial position of the Ministry of Children and Youth Services as at March 31, 2010 and 2009 and the consolidated statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 9, 2010

MINISTRY OF CHILDREN AND YOUTH SERVICES
CONSOLIDATED STATEMENTS OF OPERATIONS
Year ended March 31

(In thousands)

	2010 Budget (Schedule 3)	2010 Actual	2009 Actual
Revenues (SCHEDULE 1)			
Internal Government Transfers	$ 63,500	$ 63,500	$ 63,500
Transfers from Government of Canada	307,630	314,814	329,138
Other Revenue	7,935	9,934	11,433
	379,065	**388,248**	**404,071**
Expenses - Directly Incurred (NOTE 2B AND SCHEDULE 6)			
Voted (SCHEDULES 2, 3, AND 4)			
Promoting the development and well being of children, youth and families	486,028	489,935	448,939
Keeping children, youth and families safe and protected	573,349	574,465	563,265
Promoting healthy communities for children, youth and families	15,937	14,216	15,508
Support Services	64,456	57,602	62,921
	1,139,770	**1,136,218**	**1,090,633**
Statutory (Schedule 2 and 4)			
Valuation adjustments	1,500		
Provision for Doubtful Accounts		581	(28)
Provision for Vacation Pay		1,502	2,313
	1,500	**2,083**	**2,285**
Total Expenses	**1,141,270**	**1,138,301**	**1,092,918**
Net Operating Results	**$ (762,205)**	**$ (750,053)**	**$ (688,847)**

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF CHILDREN AND YOUTH SERVICES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31

	(In thousands) 2010 Actual	2009 Actual
Assets		
Cash	$ 49,104	$ 40,373
Accounts Receivable (NOTE 3)	10,334	9,678
Prepaid Expenses	90	41
Advances	5	271
Tangible Capital Assets (NOTE 4)	14,987	14,412
	$ 74,520	**$ 64,775**
Liabilities		
Accounts Payable and Accrued Liabilities (NOTE 5)	$ 97,036	$ 91,085
	97,036	91,085
Net Liabilities		
Net Liabilities at Beginning of Year	(26,310)	(38,092)
Net Operating Results	(750,053)	(688,847)
Net Financing Provided from General Revenues	753,847	700,629
Net Liabilities at End of Year	(22,516)	(26,310)
	$ 74,520	**$ 64,775**

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF CHILDREN AND YOUTH SERVICES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Year ended March 31

	(In thousands)	
	2010	**2009**
Operating Transactions		
Net Operating Results	$ (750,053)	$ (688,847)
Non-Cash Items included in Net Operating Results:		
Amortization (Schedule 2)	1,771	2,101
Valuation Adjustments (NET) (Schedule 2)	2,083	2,285
	(746,199)	(684,461)
(Increase) Decrease in Accounts Receivable [a]	(1,237)	4,921
Increase in Prepaid Expenses	(49)	(27)
Decrease in Advances	266	-
Increase (Decrease) in Accounts Payable and Accrued Liabilities [a]	4,449	(40,078)
Cash Applied to Operating Transactions	(742,770)	(719,645)
Capital Transactions		
Cash Applied to Capital Transactions [b]	(2,346)	(1,154)
Financing Transactions		
Net Financing Provided from General Revenues	753,847	700,629
Increase in Cash	8,731	(20,170)
Cash, Beginning of Year	40,373	60,543
Cash, End of Year	**$ 49,104**	**$ 40,373**

[a] Adjusted for valuation adjustment.
[b] Tangible Capital Assets Transferred to Ministry of Employment and Immigration - $34

The accompanying notes and schedules are part of these consolidated financial statements.

NOTE 1 AUTHORITY, PURPOSE AND OPERATIONS

The Minister of Children and Youth Services has been designated as responsible for various Acts by the *Government Organization Act* and its regulations. The Ministry consists of the organizations listed below.

Organization	Legislation
Department of Alberta Children and Youth Services	*Government Organization Act*
10 Child and Family Services Authorities	*Child and Family Services Authorities Act*

The Ministry is responsible for providing community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These Financial Statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The PSAB financial Statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Ministry.

(a) Reporting Entity

The reporting entity is the Ministry of Children and Youth Services for which the Minister of Children and Youth Services is accountable. The accounts of the Ministry and the Child and Family Services Authorities are consolidated. Revenue and expense transactions, capital and financing transactions and related assets and liability accounts between entities within the Ministry have been eliminated.

All ministries of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of ministries are deposited into the Fund and all cash disbursements made by ministries are paid from the Fund. Net financing provided (for) from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

The accounts of the organizations listed in Note 1 above have been consolidated. Revenue and expense transactions, investing and financing transactions and related asset and liability accounts between the consolidated organizations were eliminated upon consolidation.

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amount can be made. Overpayments relating to Canada Social Transfer entitlements and transfers received before revenue recognition criteria have been met are included in accounts payable and accrued liabilities.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.
- grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Ministry's operations are disclosed in Schedule 6.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONTINUED)

(c) Basis of Financial Reporting

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Ministry are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included. Tangible capital assets are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000. All land is capitalized.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Net Assets/Liabilities

Net liabilities represents the difference between the carrying value of assets held by the Ministry and its liabilities.

NOTE 3 ACCOUNTS RECEIVABLE
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 10,386	$ 1,875	$ 8,511	$ 7,078
Refunds from Suppliers	1,823	-	1,823	2,600
	$ 12,209	$ 1,875	$ 10,334	$ 9,678

Accounts receivable are unsecured and non-interest bearing.

NOTE 4 TANGIBLE CAPITAL ASSETS
(in thousands)

	Equipment*	Computer Hardware and Software	2010 Total	2009 Total
Estimated Useful Life	5 years	5 years		
Historical Costs**				
Beginning of year	$ 718	$ 31,774	$ 32,492	$ 34,731
Additions	25	2,321	2,346	1,155
Disposal, including write downs	-	(670)	(670)	(3,394)
	$ 743	$ 33,425	$ 34,168	$ 32,492
Accumulated Amortization				
Beginning of year	$ 491	$ 17,589	$ 18,080	$ 19,373
Amortization Expense	63	1,708	1,771	2,101
Effect of Disposals	-	(670)	(670)	(3,394)
	$ 554	$ 18,627	$ 19,181	$ 18,080
Net Book Value at March 31, 2010	$ 189	$ 14,798	$ 14,987	
Net Book Value at March 31, 2009	$ 227	$ 14,185		$ 14,412

* Equipment includes office equipment, furniture and other equipment.
** Historical costs include work-in-progress at March 31, 2010 totalling $2,328 comprised of computer software (2009 - $739).

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES (in thousands)

	2010	2009
Trade	$ 18,808	$ 19,673
Government of Canada	13,711	16,584
Grants	31,532	28,071
Vacation Pay and Manpower	23,502	22,707
Other	9,483	4,050
	$ 97,036	$ 91,085

NOTE 6 CONTRACTUAL OBLIGATIONS (in thousands)

The Ministry contracts with organizations to provide specific programs and services for children under the care of the Ministry. The Ministry has contracts for specific programs and services for the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

At March 31, 2010 the Ministry has the following contractual obligations:

	2010	2009
Long-term Leases	$ 64	$ 402

The Ministry leases certain vehicles under operating leases that expire at various dates to 2011. The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Long-term Leases
2011	64
2012	-
	$ 64

NOTE 7 CONTINGENT LIABILITIES (in thousands)

At March 31, 2010, the Ministry is a defendant in sixty-eight legal claims (2009 – eighty-two legal claims). Sixty-seven of these claims have specified amounts totaling $1,566,561 and the remaining one has no specified amount (2009 – eighty-one claims with a specified amount of $1,590,631 and one with no specified amount).

Included in the total legal claims are forty-two claims amounting to $1,402,414 in which the Ministry has been jointly named with other entities. Forty-eight claims amounting to $970,292 (2009 – Sixty-two claims amounting to $555,367) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 8 TRUST FUNDS UNDER ADMINISTRATION (in thousands)

The Ministry administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose described below, it is not included in the Ministry's financial statements.

At March 31, 2010 the trust fund under administration is as follows:

	2010	2009
Child Resource Rebate Trust Fund	$ 1,252	$ 1,287

The Province of Alberta paid a $400 resource rebate to all Alberta residents as of September 1, 2005. The Director of the *Child, Youth and Family Enhancement Act* administers these funds for eligible children in the Director's care.

Each child's resource rebate may be used for a child's special needs that are over and above those that the Ministry provides.

The Director will release the funds to the:

- child's guardian/parent if a special need is identified and they can purchase goods and/or services to benefit the child, or
- child when the child turns 18 years of age, or
- General Revenue Fund, if a child cannot be located for 2 years after the child turns 18. At that time, the Director's obligation to pay the refund lapses.

NOTE 9 BENEFIT PLANS (in thousands)

The Ministry participates in the multi-employer Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for the Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $20,656 for the year ended March 31, 2010 (2009- $18,010).

At December 31, 2009, the Management Employees Pension Plan reported a deficiency of $483,199 (2008 – deficiency $568,574) and the Public Service Pension Plan reported a deficiency of $1,729,196 (2008 deficiency - $1,187,538). At December 31, 2009, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,516 (2008 – $7,111).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2010, the Bargaining Unit Plan reported an actuarial deficiency of $8,335 (2009 - deficiency of $33,540) and the Management, Opted Out and Excluded Plan had an actuarial surplus of $7,431 (2009 – deficiency $1,051). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Acting Deputy Minister.

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS

Revenues

SCHEDULE 1

Year ended March 31

(In thousands)

	2010		2009
	Budget	Actual	Actual
Internal Government Transfers			
Contribution from Lottery Fund	$ 63,500	$ 63,500	$ 63,500
Transfers from Government of Canada			
Canada Social Transfer	266,807	270,979	288,779
Services on First Nations Reserves	17,170	19,573	16,290
National Child Special Allowance	23,653	24,262	24,069
	307,630	314,814	329,138
Other Revenue			
Refunds of Expenditure			
First Nations Agencies Recoveries	1,129	891	1,180
Other Refunds	1,513	7,833	8,960
Other	5,293	1,210	1,293
	7,935	9,934	11,433
Total Revenues	**$ 379,065**	**$ 388,248**	**$ 404,071**

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 2

Year ended March 31

(In thousands)

	2010 Budget	2010 Actual	2009 Actual
Voted:			
Salaries, Wages and Employee Benefits	$ 249,426	$ 245,607	$ 237,041
Supplies and Services	480,533	486,426	497,896
Supplies and Services from Support Service Arrangements with Related Parties (a)		917	1,133
Grants	406,117	401,402	352,462
Financial Transactions and Other	94	143	129
Amortization of Capital Assets	3,600	1,771	2,101
Total Voted Expenses before Recoveries	1,139,770	1,136,266	1,090,762
Less Recovery from Support Service Arrangements with Related Parties (b)		(48)	(129)
	$ 1,139,770	$ 1,136,218	$ 1,090,633
Statutory:			
Valuation Adjustments	1,500		-
Provision for Vacation Pay		1,502	2,313
Provision for Doubtful Accounts		581	(28)
Total Statutory Expenses	$ 1,500	$ 2,083	$ 2,285

(a) The Ministry receives human resources, information technology, financial and other administrative support services from the Ministry of Employment and Immigration and from the Ministry of Seniors and Community Supports.

(b) The Ministry provides operational human resources services to the Ministry of Seniors and Community Supports. Costs incurred by the Ministry for these services are recovered from the Ministry of Seniors and Community Supports

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULE TO FINANCIAL STATEMENTS

Budget

SCHEDULE 3

Year ended March 31

(In thousands)

	2009-2010 Estimates	Adjustments	2009-2010 Budget	Authorized Supplementary[a]	2009- 2010 Authorized Budget
Revenues					
Transfers from the Government of Canada	$ 307,630	$ -	$ 307,630	$ -	$ 307,630
Internal Government Transfers	63,500	-	63,500	-	63,500
Other	7,935	-	7,935	-	7,935
	379,065	-	379,065	-	379,065
Expenses - Directly Incurred:					
Voted					
Promoting the Development and Well-Being of Children, Youth and Families	486,028	1,536	487,564	-	487,564
Keeping Children, Youth and Families Safe and Protected	573,349	-	573,349	-	573,349
Promoting Healthy Communities for Children, Youth and Families	15,937	-	15,937	-	15,937
Support Services	64,456	(1,536)	62,920	-	62,920
	1,139,770	-	1,139,770	-	1,139,770
Statutory					
Valuation Adjustments	1,500	-	1,500	-	1,500
	1,500	-	1,500	-	1,500
Total Expenses	1,141,270	-	1,141,270	-	1,141,270
Net Operating Results	$ (762,205)	$ -	$ (762,205)	$ -	$ (762,205)
Equipment /Inventory Purchases (EIP)	$ 1,800	$ -	$ 1,800	$ -	$ 1,800

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULE TO FINANCIAL STATEMENTS
Comparison of Expenses - Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget SCHEDULE 4
Year ended March 31

(in thousands)

	2009-2010 Estimates	Adjustments	2009-2010 Budget	Authorized Supplementary	2009-2010 Authorized Budget	2009-2010 Actual Expense	Unexpended (Over Expended)
Voted:							
Promoting the Development and Well-Being of Children, Youth and Families							
Family Support for Children with Disabilities	$ 113,332	$ 1,536	$ 114,868	$ -	$ 114,868	$ 123,701	$ (8,833)
Family and Community Support Services	75,684		75,684		75,684	75,220	464
Child Care	205,815		205,815		205,815	203,877	1,938
Prevention of Family Violence and Bullying	41,824		41,824		41,824	40,367	1,457
Parenting Resources Initiative	24,449		24,449		24,449	23,977	472
Fetal Alcohol Spectrum Disorder Initiatives	18,094		18,094		18,094	15,911	2,183
Youth in Transition	6,830		6,830		6,830	6,882	(52)
	486,028	1,536	487,564	-	487,564	489,935	(2,371)
Keeping Children, Youth and Families Safe and Protected							
Child Intervention Services	398,064		398,064		398,064	399,726	(1,662)
Foster Care Support	161,942		161,942		161,942	161,384	558
Protection of Sexually Exploited Children	6,170		6,170		6,170	6,122	48
Child and Youth Advocate	7,173		7,173		7,173	7,233	(60)
	573,349	-	573,349	-	573,349	574,465	(1,116)
Promoting Healthy Communities for Children, Youth and Families							
Community Initiatives	12,359		12,359		12,359	11,594	765
Child and Family Research	2,000		2,000		2,000	2,000	-
Alberta's Promise	1,578		1,578		1,578	622	956
	15,937	-	15,937	-	15,937	14,216	1,721
Support Services							
Ministry Support	18,126		18,126		18,126	16,182	1,944
Program Delivery Support	42,730	(1,536)	41,194		41,194	39,649	1,545
Amortization of Capital Assets	3,600		3,600		3,600	1,771	1,829
	64,456	(1,536)	62,920	-	62,920	57,602	5,318
Equipment/Inventory Purchases	1,800		1,800		1,800	2,380	(580)
Total Voted Expenditures	**1,141,570**		**1,141,570**	-	**1,141,570**	**1,138,598**	**2,972**
Statutory:							
Valuation Adjustments and Other Provisions	1,500		1,500		1,500	2,083	(583)
Total Expenses	**$ 1,143,070**	**$ -**	**$ 1,143,070**	**$ -**	**$ 1,143,070**	**$ 1,140,681**	**$ 2,389**

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 5

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statements of Operations and the Statements of Financial Position at the amount of consideration agreed upon between the related parties:

(In thousands)

	Other Entities	
	2010	2009
Revenues:		
Internal Government Transfers	$ 63,500	$ 63,500
Ministry of Education - School Divisions	2,591	2,984
Ministry of Seniors & Community Supports	36	-
Ministry of Alberta Justice & Attorney General	10	-
	$ 66,137	**$ 66,484**
Expenses:		
Ministry of Service Alberta	$ 2,261	$ 2,683
Ministry of Alberta Infrastructure	19	2
Ministry of Finance and Enterprise	1,546	1,574
Ministry of Employment, Immigration and Industry		-
Ministry of Health & Wellness - Health Authorities	2,685	2,878
Ministry of Solicitor General and Public Security	109	-
Ministry of Advanced Education and Technology - Post Secondary	815	1,674
Ministry of Education - School Divisions	13,875	12,792
	$ 21,310	**$ 21,603**
Tangible Capital Assets Transferred to Ministry of Employment and Immigration	**$ 34**	**$ -**
Receivable from/(payable to) (net)		
Ministry of Seniors and Community Supports	$ 13	$ -
Ministry of Advanced Education and Technology	(34)	(938)
Ministry of Health & Wellness - Health Authorities	(5)	(18)
Ministry of Education - School Divisions	(1,951)	(3,641)
Ministry of Solicitor General and Public Security	(25)	-
	$ (2,002)	**$ (4,597)**

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 6.

(In thousands)

	Other Entities	
Expenses (notional):	2010	2009
Accommodation	$ 26,577	$ 23,261
Legal Services	4,364	5,333
Internal Audit	11	-
Administrative	13,120	12,916
Air Transportation	144	213
Learning Centre	93	-
	$ 44,309	**$ 41,723**

MINISTRY OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Allocated Costs
Year ended March 31

SCHEDULE 6

(In thousands)

Program	2010 Expenses[1]	Expenses - Incurred by Others: Accommodation Costs[2]	Legal Services[3]	Internal Audit	Air Transportation	Learning Centre	Admin Costs[4]	Valuation Adjustments[5]: Vacation Pay	Doubtful Accounts	2010 Total Expenses	2009 Total Expenses
Promoting the Development and Well-being of Children, Youth and Families	$ 489,935	$ 3,885	$ 638	$ 3	$ 21	$ 14	$ 1,918	$ 219	$ 85	$ 496,718	$ 454,267
Keeping Children, Youth and Families Safe and Protected	574,465	19,597	3,218	8	107	68	9,674	1,107	429	608,673	595,752
Promoting Healthy Communities for Children, Youth and Families	14,216	638	105	-	3	2	315	36	14	15,329	16,383
Support Services	57,602	2,457	403	-	13	9	1,213	140	53	61,890	67,767
	$ 1,136,218	$ 26,577	$ 4,364	$ 11	$ 144	$ 93	$ 13,120	$ 1,502	$ 581	$ 1,182,610	$ 1,134,169

(1) Expenses as per the Statements of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Ministry of Infrastructure, represent the Ministry's buildings costs allocated by the number of employees per program.

(3) Costs for Legal Services, which were paid by the Ministry of Justice and Attorney General, were allocated in proportion to the expenses incurred by each program.

(4) Administrative costs represents human resource, finance, business and corporate services provided by the Department of Service Alberta for which no consideration was exchanged. Costs were allocated by the number of department employees per program.

(5) Valuation Adjustments as per the Consolidated Statements of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:
- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES

FINANCIAL STATEMENTS

Year ended March 31, 2010

68	Auditor's Report
69	Statements of Operations
70	Statements of Financial Position
71	Statements of Cash Flows
72	Notes to the Financial Statements
79	Schedule 1 - Revenues
80	Schedule 2 - Expenses - Directly Incurred Detailed by Object
81	Schedule 3 - Budget
82	Schedule 4 - Comparison of Expenses - Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget
83	Schedule 5 - Salary and Benefits Disclosure
84	Schedule 6 - Related Party Transactions
85	Schedule 7 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Minister of Children and Youth Services

I have audited the statements of financial position of the Department of Children and Youth Services as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Department's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Department as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 9, 2010

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
STATEMENTS OF OPERATIONS
Year ended March 31

(in thousands)

	2010 Budget (Schedule 3)	2010 Actual	2009 Actual
Revenues (Schedule 1)			
Internal Government Transfers	$ 63,500	$ 63,500	$ 63,500
Transfers from the Government of Canada	307,630	314,814	329,138
Other Revenue	2,642	2,572	3,327
	373,772	380,886	395,965
Expenses - Directly Incurred (Note 2b and Schedule 6)			
Voted (Schedules 2, 3 and 4)			
Ministry Support Services	18,126	16,182	16,955
Promoting the Development and Well-Being of Children, Youth and Families	485,525	472,901	459,877
Keeping Children, Youth and Families Safe and Protected	571,948	566,179	547,819
Promoting Healthy Communities for Children, Youth and Families	12,571	11,592	13,210
Program Support	46,307	43,246	46,565
	1,134,477	1,110,100	1,084,426
Statutory (Schedules 2, 3 and 4)			
Valuation Adjustments			
Provision for Doubtful Accounts	1,500	-	(110)
Provision for Vacation Pay	-	95	659
	1,500	95	549
	1,135,977	1,110,195	1,084,975
Net Operating Results	$ (762,205)	$ (729,309)	$ (689,010)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010 Actual	2009 Actual
Assets		
Cash	$ 823	$ 158
Accounts Receivable (Note 3)	6,800	4,945
Advances	5	270
Tangible Capital Assets (Note 4)	14,849	14,242
	$ 22,477	**$ 19,615**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 56,909	$ 78,585
	56,909	**78,585**
Net Liabilities		
Net Liabilities at Beginning of Year	(58,970)	(70,589)
Net Operating Results	(729,309)	(689,010)
Net Financing Provided from General Revenues	753,847	700,629
Net Liabilities at End of Year	(34,432)	(58,970)
	$ 22,477	**$ 19,615**

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ (729,309)	$ (689,010)
Non-Cash items included in Net Operating Results		
Amortization (Schedule 2)	1,714	2,041
Valuation Adjustments (net) (Schedule 2)	95	549
	(727,500)	(686,420)
Decrease (Increase) in Accounts Receivable [a]	(1,855)	5,431
Decrease in Advances	265	-
(Decrease) in Accounts Payable and Accrued Liabilities [a]	(21,771)	(18,858)
Cash Applied to Operating Transactions	(750,861)	(699,847)
Capital Transactions		
Acquisition of Tangible Capital Assets [b]	(2,321)	(1,149)
Financing Transactions		
Net Financing Provided from General Revenues	753,847	700,629
Increase (Decrease) in Cash	665	(367)
Cash, Beginning of Year	158	525
Cash, End of Year	**$ 823**	**$ 158**

[a] Adjusted for valuation adjustment.

[b] Tangible Capital Assets Transferred to Ministry of Employment and Immigration - $34.

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Department of Children and Youth Services operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department is responsible for providing community-based child and family services, programs and other supports that build on community strengths, individual and family responsibility with organizations and community groups by collaboration, partnerships and sharing resources.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared primarily in accordance with Canadian Generally Accepted Accounting Principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the department.

(a) Reporting Entity

The reporting entity is the Department of Children and Youth Services, which is part of the Ministry of Children and Youth Services and for which the Minister of Children and Youth Services is accountable. Other entities reporting to the Minister are the ten regional provincial agencies, known as Child and Family Services Authorities. The activities of these organizations are not included in these financial statements. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance and Enterprise. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from (for) General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue.

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive any goods or services directly in return.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

b) Basis of Financial Reporting (Continued)

Transfers from Government of Canada

Transfers from Government of Canada are recognized as revenue when authorized by federal legislation or federal/provincial agreements, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made. Overpayments relating to Canada Social Transfer entitlements and transfers received before revenue recognition criteria have been met are included in accounts payable and accrued liabilities.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Department has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs, which are the cost of employer contributions.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.
- grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Department's operations are disclosed in Schedule 7.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Continued)

b) Basis of Financial Reporting (Continued)

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash, accounts receivable, advances, and accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

Net Liabilities

Net liabilities represent the difference between the carrying value of assets held by the Department and its liabilities.

NOTE 3 ACCOUNTS RECEIVABLE

(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ 8,417	$ 1,864	$ 6,553	$ 4,792
Refunds from Suppliers	247	-	247	153
	$ 8,664	$ 1,864	$ 6,800	$ 4,945

Accounts receivable are unsecured and non-interest bearing.

NOTE 4 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment*	Computer Hardware and Software	2010 Total	2009 Total
Estimated Useful Life	5 years	5 years		
Historical Costs**				
Beginning of year	$ 188	$ 31,446	$ 31,634	$ 33,879
Additions	-	2,321	2,321	1,149
Disposals, including write downs	-	(670)	(670)	(3,394)
	$ 188	$ 33,097	$ 33,285	$ 31,634
Accumulated Amortization				
Beginning of year	$ 152	$ 17,240	$ 17,392	$ 18,745
Amortization Expense	6	1,708	1,714	2,041
Effect of Disposals	-	(670)	(670)	(3,394)
	$ 158	$ 18,278	$ 18,436	$ 17,392
Net Book value at March 31, 2010	$ 30	$ 14,819	$ 14,849	
Net Book value at March 31, 2009	$ 36	$ 14,206		$ 14,242

* Equipment includes office equipment, furniture and other equipment.

** Historical costs includes work-in-progress at March 31, 2010 totalling $2,238 comprised of Computer software (2009 - $739).

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2010	2009
Child and Family Services Authorities	$ 18,691	$ 38,504
Trade	4,735	7,341
Government of Canada	13,711	16,584
Grants	12,955	10,841
Vacation Pay and Manpower	5,082	4,987
Other	1,735	328
	$ 56,909	$ 78,585

NOTE 6 CONTRACTUAL OBLIGATIONS

(in thousands)

At March 31, 2010, the Department has the following contractual obligations:

	2010	2009
Long-term Leases	$ 3	$ 26

The Department leases certain vehicles under operating leases that expire at various dates to 2011. The aggregate amounts payable for the unexpired terms of these contractual obligations are as follows:

	Long-term Leases
2011	$ 3

NOTE 7 CONTINGENT LIABILITIES

(in thousands)

At March 31, 2010, the Department is a defendant in fifty-two legal claims (2009 – sixty-one legal claims). Fifty-one of these claims have specified amounts totaling $1,223,199 and the remaining one has not specified any amount (2009 – sixty claims with a specified amount of $1,235,881 and one has no specified amount).

Included in the total legal claims are thirty-nine claims amounting to $1,1194,669 in which the Department has been jointly named with other entities. Thirty-seven claims amounting to $948,907 (2009 – forty-seven claims amounting to $523,791) are covered by the Alberta Risk Management Fund.

The resulting loss, if any, from these claims cannot be determined.

NOTE 8 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The Department administers a trust fund that is a regulated fund consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the fund and administers it for the purpose described below, it is not included in the Department's financial statements.

At March 31, 2010 the trust fund under administration is as follows:

	2010	2009
Child Resources Rebate Trust Fund	$ 1,252	$ 1,287

The Province of Alberta paid a $400 resource rebate to all Alberta residents as of September 1, 2005. The Director of the *Child, Youth and Family Enhancement Act* administers these funds for eligible children in the Director's care.

Each child's resource rebate may be used for a child's special needs that are over and above those that the Ministry provides.

The Director will release the funds to the:

- child's guardian/parent if a special need is identified and they can purchase goods and/or services to benefit the child, or
- child when the child turns 18 years of age, or
- General Revenue Fund, if a child cannot be located for 2 years after the child turns 18. At that time, the Director's obligation to pay the refund lapses.

NOTE 9 BENEFIT PLANS

(in thousands)

The Department participates in the multi-employer pension plans: Management Employees Pension Plan and Public Service Pension Plan. The Department also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $6,124 for the year ended March 31, 2010 (2009 - $5,236).

At December 31, 2009, the Management Employees Pension Plan reported a deficiency of $483,199 (2008 – deficiency $568,574) and the Public Service Pension Plan reported a deficiency of $1,729,196 (2008 - deficiency $1,187,538). At December 31, 2009, the Supplementary Retirement Plan for Public Service Managers had a deficiency of $39,516 (2008 – deficiency $7,111).

The Department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2010, the Bargaining Unit Plan reported an actuarial deficiency of $8,355 (2009 – deficiency $33,540) and the Management, Opted Out and Excluded Plan an actuarial surplus of $7,431 (2009 – deficiency $1,051). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Acting Deputy Minister.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS

Revenues

SCHEDULE 1

Year ended March 31

(in thousands)

	2010		2009
	Budget	Actual	Actual
Internal Government Transfers			
Transfers from the Lottery Fund	$ 63,500	$ 63,500	$ 63,500
Transfers from the Government of Canada			
Canada Social Transfer	266,807	270,979	288,779
Services on First Nations Reserves	17,170	19,573	16,290
National Child Special Allowance	23,653	24,262	24,069
	307,630	314,814	329,138
Other Revenue			
Refunds of Expenditure			
First Nations Agencies Recoveries	1,129	891	1,181
Other Refunds	1,513	1,350	1,924
Other	-	331	222
	2,642	2,572	3,327
Total Revenues	**$ 373,772**	**$ 380,886**	**$ 395,965**

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 2

Year ended March 31

(in thousands)

	2010 Budget	2010 Actual	2009 Actual
Voted:			
Salaries, Wages and Employee Benefits	$ 43,926	$ 43,125	$ 41,799
Supplies and Services	72,858	63,236	73,809
Supplies and Services from Support Arrangements with Related Parties[a]	-	560	560
Grants	1,014,022	1,001,397	966,251
Financial Transactions and Other	92	116	95
Amortization of Tangible Capital Assets	3,579	1,714	2,041
Total Voted Expenses before Recoveries	1,134,477	1,110,148	1,084,555
Less Recovery from Support Service Arrangements with Related Parties[b]	-	(48)	(129)
	$ 1,134,477	$ 1,110,100	$ 1,084,426
Statutory:			
Valuation Adjustments	$ 1,500	$ -	$ -
Provision for Vacation Pay	-	95	659
Provision for Doubtful accounts	-	-	(110)
	1,500	95	549
Total Expenses	$ 1,135,977	$ 1,110,195	$ 1,084,975

(a) The Department receives Freedom of Information and Protection of Privacy and information technology services from the Department of Employment and Immigration.

(b) The Department provides operational human resources services to the Ministry of Seniors and Community Supports. Costs incurred by the Department for these services are recovered from the Ministry of Seniors and Community Supports.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS

Budget

Year ended March 31

SCHEDULE 3

	(in thousands)				
	2009-2010 Estimates	Adjustments	2009-2010 Budget	Authorized Supplementary	2009-2010 Authorized Budget
Revenues	$ 63,500	$ -	$ 63,500	$ -	$ 63,500
Internal Government Transfers	307,630	-	307,630	-	307,630
Transfers from the Government of Canada	2,642	-	2,642	-	2,642
Other Revenue					
	373,772	-	373,772	-	373,772
Expenses - Directly Incurred:					
Votes Expenses					
Ministry Support Services	18,126	-	18,126	-	18,126
Promoting the Development and Well-Being of Children, Youth and Families	485,525	1,536	487,061	-	487,061
Keeping Children, Youth and Families Safe and Protected	571,948	-	571,948	-	571,948
Promoting Healthy Communities for Children, Youth and Families	12,571	-	12,571	-	12,571
Program Support	46,307	(1,536)	44,771	-	44,771
	1,134,477	-	1,134,477	-	1,134,477
Statutory Expenses					
Valuation Adjustments	1,500	-	1,500	-	1,500
	1,500	-	1,500	-	1,500
Total Expenses	1,135,977	-	1,135,977	-	1,135,977
Net Operating Results	$ (762,205)	$ -	$ (762,205)	$ -	$ (762,205)
Equipment/Inventory Purchases	$ 1,800	$ -	$ 1,800	$ -	$ 1,800

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Comparison of Expenses - Directly Incurred, EIP and Statutory Expenses by Element to Authorized Budget SCHEDULE 4
Year ended March 31

(in thousands)

		2009-10 Estimates	Adjustments	2009-10 Budget	Authorized Supplementary	2009-10 Authorized Budget	2009-10 Actual Expense	Unexpended (Over Expended)
Voted:								
1	**Ministry Support Services**							
1.0.1	Minister's Office	$ 437	$ -	$ 437	$ -	$ 437	$ 442	$ (5)
1.0.2	Deputy Minister's Office	650	-	650	-	650	600	50
1.0.3	Communications Services	678	-	678	-	678	608	70
1.0.4	Corporate Administration	16,361	-	16,361	-	16,361	14,532	1,829
		18,126	-	18,126	-	18,126	16,182	1,944
2	**Promoting the Development and Well-Being of Children, Youth and Families**							
2.0.1	Family Support for Children with Disabilities	112,829	1,536	114,365	-	114,365	112,727	1,638
2.0.2	Family and Community Support Services	75,684	-	75,684	-	75,684	75,220	464
2.0.3	Child Care	205,815	-	205,815	-	205,815	193,984	11,831
2.0.4	Prevention of Family Violence and Bullying	41,824	-	41,824	-	41,824	41,549	275
2.0.5	Parenting Resources Initiative	24,449	-	24,449	-	24,449	24,975	(526)
2.0.6	Fetal Alcohol Spectrum Disorder Initiatives	18,094	-	18,094	-	18,094	17,564	530
2.0.7	Youth in Transition	6,830	-	6,830	-	6,830	6,882	(52)
		485,525	1,536	487,061	-	487,061	472,901	14,160
3	**Keeping Children, Youth and Families Safe and Protected**							
3.0.1	Child Intervention Services	396,663	-	396,663	-	396,663	392,107	4,556
3.0.2	Foster Care Support	161,942	-	161,942	-	161,942	160,536	1,406
3.0.3	Protection of Sexual Exploited Chidren	6,170	-	6,170	-	6,170	6,303	(133)
3.0.4	Child and Youth Advocate	7,173	-	7,173	-	7,173	7,233	(60)
		571,948	-	571,948	-	571,948	566,179	5,769
4	**Promoting Healthy Communities for Children, Youth and Families**							
4.0.1	Community Initiatives	8,993	-	8,993	-	8,993	8,970	23
4.0.2	Child and Family Research	2,000	-	2,000	-	2,000	2,000	-
4.0.3	Alberta's Promise	1,578	-	1,578	-	1,578	622	956
		12,571	-	12,571	-	12,571	11,592	979
5	**Program Support**							
5.0.1	Program Delivery Support	42,730	(1,536)	41,194	-	41,194	41,532	(338)
5.0.2	Amortization of Capital Assets	3,577	-	3,577	-	3,577	1,714	1,863
		46,307	(1,536)	44,771	-	44,771	43,246	1,525
	Equipment/Inventory Purchases	1,800	-	1,800	-	1,800	2,355	(555)
	Total Voted Expenditures	**1,136,277**	**-**	**1,136,277**	**-**	**1,136,277**	**1,112,455**	**23,822**
	Statutory:							
	Valuation Adjustment and Other Provisions	1,500	-	1,500	-	1,500	95	1,405
	Total Expenses	**$ 1,137,777**	**$ -**	**$ 1,137,777**	**$ -**	**$ 1,137,777**	**$ 1,112,550**	**$ 25,227**

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Salary and Benefits Disclosure

SCHEDULE 5

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Senior Officials					
Deputy Minister [4]	$ 264,069	$ -	$ 63,081	$ 327,150	$ 371,652
Child and Youth Advocate	156,252	-	8,250	164,502	174,117
Executives					
Assistant Deputy Ministers					
Ministry Support Services [5]	185,117	-	44,989	230,106	250,138
Program Quality & Standards	185,784	-	45,110	230,894	248,608
Community Strategies & Support Services	171,703	-	40,343	212,046	243,398
Executive Director, Prevention of Family Violence and Bullying [6]	139,299	-	31,870	171,169	207,700
Executive Director, Human Resources	151,150	-	37,209	188,359	197,959
Special Policy Advisor [7][8]	128,693	13,175	29,730	171,598	85,144

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes pensionable base pay.

[2] Other cash benefits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstances). There were no bonuses paid in 2010.

[3] Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

[4] Automobile provided, no dollar amount included in other non-cash benefits.

[5] The individual started overseeing the functions and assuming the responsibilities of the Edmonton and Area Region 6 on March 24, 2010. His full salary and benefits are reflected on this schedule.

[6] The position was occupied by 2 individuals during the year.

[7] The position became part of the senior management team on December 1, 2008 and was occupied until December 26, 2009.

[8] The incumbent's services are shared with Corporate Human Resources - Treasury Board which contributes its own share of cost of salary and benefits. Full salary and benefits are disclosed on this Schedule.

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 6

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Department.

The Department and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Department had the following transactions with related parties recorded on the Statements of Operations and the Statements of Financial Position at the amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Internal Government Transfers	$ -	$ -	$ 63,500	$ 63,500
	$ -	$ -	$ 63,500	$ 63,500
Expenses - Incurred by Others				
Grants to Child and Family Services Authorities	$ 810,200	$ 791,245	$ -	$ -
Ministry of Service Alberta	-	-	1,518	2,683
Ministry of Infrastructure	-	-	3	2
Ministry of Finance and Enterprise	-	-	1,546	1,574
Ministry of Health & Wellness - Health Authorities	-	-	148	162
Ministry of Advanced Education and Technology - Post Secondary	-	-	500	1,113
Ministry of Education - School Division	-	-	9,683	8,242
	$ 810,200	$ 791,245	$ 13,398	$ 13,776
Tangible Capital Assets				
Transferred to Ministry of Employment and Immigration	$ -	$ -	$ 34	$ -
Receivable from/(payable to) (net)				
Grants to Child and Family Services Authorities	$ (18,111)	$ (37,262)	$ -	$ -
Ministry of Advanced Education and Technology	-	-	(34)	(938)
Ministry of Education - School Divisions	-	-	(2,546)	(4,175)
Ministry of Health & Wellness - Health Authorities	-	-	(10)	(28)
	$ (18,111)	$ (37,262)	$ (2,590)	$ (5,141)

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 7.

(in thousands)

	Other Entities	
	2010	2009
Expenses (notional):		
Accommodation	$ 2,868	$ 2,399
Legal Services	508	726
Internal Audit	11	-
Administrative	1,867	2,114
Air Transportation	144	213
Learning Centre	93	-
	$ 5,491	$ 5,452

DEPARTMENT OF CHILDREN AND YOUTH SERVICES
SCHEDULES TO FINANCIAL STATEMENTS
Allocated Costs

SCHEDULE 7

Year ended March 31

(in thousands)

	2010										2009
		Expenses - Incurred by Others						Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Legal Services[3]	Internal Audit	Learning Centre	Air Transportation	Admin Costs[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Ministry Support Services	$ 16,182	$ 651	$ -	$ 2	$ 21	$ 33	$ 423	$ 21	-	$ 17,333	$ 18,110
Promoting the Development and Well-being of Children, Youth and Families	472,901	484	-	2	16	24	315	16	-	473,758	460,728
Keeping Children, Youth and Families Safe and Protected	566,179	906	508	4	29	45	589	30	-	568,290	550,154
Promoting Healthy Communities for Children, Youth and Families	11,592	209	-	1	7	11	136	7	-	11,963	13,583
Program Support	43,246	618	-	2	20	31	404	21	-	44,342	47,555
	$1,110,100	$ 2,868	$ 508	$ 11	$ 93	$ 144	$ 1,867	$ 95	$ -	$1,115,686	$1,090,130

[1] Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

[2] Accommodation costs (includes grants in lieu of taxes), which were paid by the Ministry of Infrastructure represent the Department's building costs allocated by the number of employees per program.

[3] Costs for Legal Services, which were paid by the Ministry of Justice and Attorney General, were allocated in proportion to the expenses incurred by each program.

[4] Administrative costs represents human resources, finance, business and corporate services provided by the Department of Service Alberta for which no consideration was exchanged. Costs were allocated by the number of Department employees per program.

[5] Valuation Adjustments as per the Statements of Operations. The Vacation Pay and Doubtful Accounts provisions were recorded as follows:

- Vacation Pay - value of vacation entitlements due to employees assigned to a program.
- Doubtful Accounts - estimated expenses incurred by each program.

Other Information

Ministry of Children and Youth Services Statement of Remissions, Compromises and Write-Offs

Year ended March 31, 2010

The following statement has been prepared pursuant to section 23 of the *Financial Administration Act*. The statement includes all remissions, compromises and write-offs the Ministry of Children & Youth Services made or approved during the fiscal year.

	(in thousands) 2010
Remissions under section 21 of the *Financial Administration Act*	-
Compromises under section 22 of the *Financial Administration Act*	-
Bankruptcies	-
Write-offs:	
First Nations Recovery	17
Day Care Program	561
Other	21
	-
Total	$ 599

Appendix

Performance Measures – Data Sources and Methodology

Data Sources

Child Care Information System (CCIS)
CCIS contains information about Alberta's licensed social care facilities, including licensed and approved day care centres, contracted family day home agencies and direct care providers. Child care specialists use this system to maintain current information about the licensing and monitoring of all licensed and approved child care programs, including day care centres and family day home agencies and providers. CCIS also contains data related to the Child Care Subsidy Program, Child Care Accreditation Funding Program, Staff Qualification Program, Claims Process, Licensing and Family Day Home Program.

Child Youth Information Module (CYIM)
CYIM is an information system designed to assist with case management. The system provides client-tracking capability (e.g., outcome of investigations, placement type, legal authority, etc.) as well as documentation support for the programs under the former *Child Welfare Act* and the current *Child, Youth and Family Enhancement Act* (child protection, adoptions, placement resources, unmarried parents, post-adoption support, family enhancement), the *Protection of Sexually Exploited Children Act* (PSECA) and the *Drug-endangered Children Act* (DECA). CYIM is the data source for a number of the performance measures.

Bursary Information Module (BIM)
BIM is an information and payment system that supports casework, facilitates financial management and provides a reporting capacity for the Advancing Futures bursary program (Advancing Futures). The application has the capability to:
- track and monitor bursaries provided by Children and Youth Services;
- provide critical casework information;
- disburse monthly living allowance payments to recipients;
- disburse tuition, book and supply expenses;
- track the financial processes of Advancing Futures; and
- provide timely, accurate and efficient reporting.

Advancing Futures assists youth in achieving their educational goals as a means of obtaining meaningful employment. To be eligible, applicants must have been the subject of a Permanent Guardianship Order between the time they were 13 and 18 years old; or have been in the care of Children and Youth Services for at least 546 days (18 months) between the time they were 13 and 22 years of age. To determine eligibility, BIM sends a query to CYIM to identify the number of intervention service days a youth has. BIM then calculates the number of days and determines eligibility.

Ministry Surveys
The Ministry also hires external consultants to conduct several surveys used for performance measures, including: the Family Support for Children with Disabilities Family Survey, the Albertans' Perceptions of Family Violence and Bullying Survey, the Foster Care Program Survey and the Adoption Program Survey. All of these surveys are conducted every two years. The Ministry also gathers the Women's Emergency Shelters Exit Survey data on an ongoing basis.

Methodology

PERFORMANCE MEASURE 1A:

Percentage of licensed day care centres and contracted family day home agencies that are accredited

The Alberta Association for Accreditation of Early Learning and Care Services accredits eligible day care programs and family day home agencies in Alberta. Accreditation is a voluntary process. The result for this measure is based on the number of licensed day care programs and contracted family day home agencies accredited as of March 31, 2010. The measure is calculated by dividing the sum of all accredited licensed and approved day care centres and all accredited contracted family day home agencies by all licensed and approved day care centres and all contracted family day home agencies, as counted on March 31, 2010. Approved, on-base (military) day care programs are eligible for accreditation and are included in this measure. Day care programs located on-reserve are not included in this measure, as these programs are not required to meet provincial legislation and are not eligible for accreditation. Direct Care Providers are contracted by Child and Family Services Authorities to provide family child care services but are not eligible to be accredited as a "contracted family day home agency" and are therefore excluded in the calculations as well. The measure also excludes those programs and agencies that have been accredited during the year but no longer have active licences or contracts on March 31, 2010.

PERFORMANCE MEASURE 1B:

Percentage of families accessing the Family Support for Children with Disabilities program who indicate the services provided had a positive impact on their child

The result for this measure is obtained through a survey of families receiving services from the FSCD program at the end of the 2008-09 fiscal year. The survey was administered to 1,748 people who had accessed services through the FSCD Program. The valid sample size (i.e., total sample minus not-in-service telephone numbers, business numbers, individuals who stated they did not receive services from FSCD) was 2,425 people. The overall margin of error for the survey results was equal to ± 2.0 per cent, 19 times out of 20.

Respondents had the opportunity to participate by telephone, online or by faxing or mailing in the completed survey. Full survey administration began in March 2008 and was completed in April 2008. Attempts to complete a survey with any particular respondent occurred a minimum of five times. Any respondent who requested to be contacted at a more convenient time was accommodated. The overall valid response rate was 72.1 per cent. The next biennial survey will be conducted in 2010-11; results will be included in the 2010-11 Ministry Annual Report.

PERFORMANCE MEASURE 1C:

Percentage of Albertans who have information to better help in situations of family violence or bullying

Performance measure data were collected for this measure in 2010. This measure involves a telephone survey of Albertans 16 years and older to examine public awareness and understanding of family violence and bullying. The results for this measure are based on survey questions related to exposure to information on family violence and bullying and to what extent this information enabled respondents to feel better able to help in a family violence or bullying

situation. Between January 6 and February 16, 2010, Ipsos Reid conducted a total of 977 telephone interviews with Albertans aged 16 years and older. This included a formal pilot test among 20 Albertans across the province on January 6, 2010. After a review of the pilot test results (i.e., listening to interviews, reviewing interviewer feedback and analyzing initial results), Children and Youth Services and Ipsos Reid agreed no changes to the questionnaire were necessary. Therefore, pilot test results are included in the overall data. The average interview length was 17.3 minutes. The "birthday method" of selecting respondents was used in order to ensure randomness within households (i.e., asking to speak to the person in the household over the age of 16 years who most recently celebrated a birthday). Interviews were stratified by nine CFSA regions. Quotas were established to ensure a reliable sample size within each region for regional analysis. The data were weighted to ensure the sample's regional and age/gender composition reflects that of the actual Alberta population over the age of 16 years according to 2006 Canadian Census data. With a sample of 977, results are considered accurate to within +/-3.2 percentage points, 19 times out of 20, of what they would have been had the entire population of Albertans over the age of 16 years been polled.

GOAL 1 SUPPLEMENTAL PERFORMANCE MEASURES INFORMATION:

Percentage of youth who received a bursary from Advancing Futures who completed their planned studies during the fiscal year

Advancing Futures takes a strength-based approach to supporting youth and recognizes the potential of students to reach their educational goals and overcome challenges. To this end, Advancing Futures provides opportunities for students to achieve success. The result for this measure is generated in BIM through the Regional Report mail merge. The report is generated based on the fiscal year start and end dates (April 1 to March 31). The report identifies the number of students who withdrew and the awards that were terminated during a school year. The number of withdrawals plus the terminations are then divided by the total number of students who were approved for a bursary during that school term.

PERFORMANCE MEASURE 2A:

Percentage of adults staying at government-funded women's emergency shelters who report that they are better able to keep themselves and the children under their care safer from abuse

An exit survey was conducted with clients of contracted women's shelters. All clients who stayed at the 34 Children and Youth Services' funded shelters throughout the province between April 1, 2009 and March 31, 2010 were given the opportunity to participate in this survey. A questionnaire is used, including a screening question to determine if the client's stay at the shelter was because of abuse (with or without children), as only these clients' responses to the remaining questions are included in the performance measure statistics. A sample of six months (April 1, 2009 to September 30, 2009) was drawn from the total surveys. The total number of surveys in the specified sample was 2,354. Of these, 1,523 answered "yes" to the screening question. Of those 1,523 surveys, 1,475 were completed surveys. Respondents are not necessarily 'unique individuals'; if a client visited a shelter more than once in the survey period, they may have completed the survey more than once. Respondents can fill out the survey before leaving the shelter or return their surveys by fax or mail.

PERFORMANCE MEASURE 2B:

Percentage of families accessing Ministry programs that indicate positive impacts for their children: foster care and adoption

This measure involves two surveys conducted every two years on a given program or service to reduce cost and response burden. Surveys are contracted to an external consultant and are designed to meet rigorous standards associated with survey methodology.

Foster Care Program Survey – Respondents had the choice to complete the Foster Care Program Survey on paper, online or over the telephone. An introductory letter (on Alberta Children and Youth Services letterhead) was sent to all potential respondents detailing the purpose of the survey, the voluntary nature, and the confidentiality of their responses. The name of a randomly selected foster child who had resided in their home within the last six months was included for reference in responding to select survey questions, including the performance measure. A hard copy of the survey and a postage-paid return envelope were included for individuals who chose to complete the survey on paper. A website address and pass code were provided in the letter for those who preferred to complete the survey online. Telephone calls were made to potential respondents starting approximately two weeks after the survey packages were mailed out and continued until the end of the data collection period. Data collection took place between January 13 and March 31, 2009. A census was conducted of all foster homes with "approved" status during September 2008, and in which a foster child had resided within the previous six months, based on information pulled from CYIM. Once the sample numbers for a region were deemed to be adequately large for regional reporting, repeat phone calls to potential respondents ceased. However, any responses that were received online, on paper, or where the respondent phoned the toll-free number continued to be accepted. A total of 1,015 surveys were completed out of a total population of 1,688. The overall margin of error for the survey was +/- 1.9 per cent, 19 times out of 20, with the margin of error for the performance measure question being +/-2.1 per cent, 19 times out of 20. The next biennial survey will be conducted in 2010-11; results will be included in the 2010-11 Ministry Annual Report.

Adoption Program Survey – The Adoption Program survey was conducted online and over the telephone. An introductory letter (on Alberta Children and Youth Services letterhead) was sent to all potential respondents detailing the purpose of the survey, the voluntary nature, and the confidentiality of their responses. A website address and pass code were provided in the letter for those who preferred to complete the survey online. Telephone calls were made to potential respondents starting approximately two weeks after the survey packages were mailed out and continued until the end of the data collection period. Data collection took place between February 25 and April 3, 2009. Adoption Program respondents were defined as individuals who:

- had their applications for adoption forwarded to Adoption and Permanency Services and had home assessments requested;
- had applications forwarded to Adoption and Permanency Services and who had been approved; or
- had a child placed with them in an adoption permanency placement, either through the Adoption and Permanency Services matching process, or as a kinship or foster parent adoption.

A census was conducted of the 528 adoptive applicants meeting these criteria in September 2008. A total of 338 surveys were completed. Only respondents who had a child placed in their care (205 respondents) were asked the performance measure question. The overall margin of error for this survey was +/-3.2 per cent, 19 times out of 20, with the margin of error for the performance measure question being +/-5.0 per cent, 19 times out of 20. The next biennial

survey will be conducted in 2010-11; results will be included in the 2010-11 Ministry Annual Report.

PERFORMANCE MEASURE 3A:

Percentage of children who suffer injury that results in hospitalization or death while receiving protective services

This measure is derived from CYIM data and is calculated by dividing the number of children and youth receiving protective services who experienced an injury that resulted in the child's hospitalization or death, by the total number of children and youth receiving protective services during a specified time period. The caseworker is required to report information on this measure at three points in the case management process: investigation, completion of an information consolidation/ongoing case assessment record, and file closure. At each point the worker is prompted to enter information about this measure, if applicable. The question posed to the worker at the time of the prompt is, "Did the child sustain an injury that resulted in hospitalization or death?" An affirmative response on CYIM to this question is made when death has occurred or hospital admission has taken place as a result of an injury. All CYIM results for this measure are manually checked against the relevant case records to ensure accuracy of the result reported in CYIM.

PERFORMANCE MEASURE 3B:

Number of children in the permanent care of the Director for whom Adoption or Private Guardianship Orders are granted

The *Child, Youth and Family Enhancement Act* increased the supports available to families who adopted children as well as those where a family was granted private guardianship. The Supports for Permanency program was introduced in 2005 and continues to be improved to ensure that the necessary supports are in place to encourage and maintain permanent homes for these children. The measure is calculated by counting the number of children in permanent care of the Director whose case file is closed during the fiscal year, where reason for closure is an adoption or private guardianship order.

PERFORMANCE MEASURE 3C:

Percentage of children and youth who received child intervention (family enhancement or protective services) and did not require protective services within 12 months of file closure

This measure describes the proportion of children with a child intervention file closure in a fiscal year who did not require child protection services within 12 months of the closure. A child intervention file closure refers to either a family enhancement or child protection closure. Step 1 of this measure involves looking at all the children whose file closed (there is a closure entered on CYIM) during the time period from April 1, 2008 to March 31, 2009 (Denominator). Step 2 of this measure looks at the children identified in Step 1 who within 12 months of the closure required additional services through the Child Protection Program (Numerator). Children are included in the denominator if the closure occurred prior to their 17th birthday.

PERFORMANCE MEASURE 4A:

Percentage of Aboriginal children in foster care or kinship care who are placed with Aboriginal families

This measure looks at the placement of Aboriginal children in foster or kinship care homes where the foster or kinship family has an Aboriginal background. This provides one indicator of achieving the outcome, "Aboriginal children, youth and families receive culturally appropriate services." An Aboriginal foster or kinship care family is determined to be Aboriginal if the home is denoted as Aboriginal or the caregiver's racial origin is identified as Aboriginal in CYIM.

The measure is derived by dividing the number of Aboriginal children in foster/kinship care who are placed with Aboriginal families by the total number of Aboriginal children in foster/kinship care placed in the period.

PERFORMANCE MEASURE 5A:

Percentage of expenditures in the children/youth/families project and service category of Family and Community Support Services

Each year, participating municipalities and Métis Settlements must submit reports with financial information and a list of projects and services receiving funding. Projects are identified within numerous service categories including children/youth, families, adults, seniors and community development. Data are collected annually from each participating municipality and Métis Settlement. The Family and Community Support Services (FCSS) Regulation requires financial reporting be received by the Minister of Children and Youth Services within 120 days of the end of the municipality's fiscal year (reference section 11(b)(i) of the FCSS Regulation). Municipalities operate on a calendar year (January 1 to December 31) and were required to submit 2008 reporting by April 30, 2009. Métis Settlements operate on a fiscal year (April 1 to March 31) and were required to submit 2008-09 reporting by July 29, 2009. Information for this 2009-10 performance measure is based on a combination of 2008 municipal and 2008-09 Métis Settlement reporting. A total of seven projects and services categories are used to report FCSS activities including: Children/Youth (Category A), Families (Category B), Adults (Category C), Seniors (Category D), Community Development (E), Grant Transfers (F) and FCSS Management (Category G). Note: Prior to 2005, Section 2 (Projects/Services Report) included the following six categories: Children/Youth, Adults/Families, Seniors, Community Development, Grant Transfers and FCSS Management. To better reflect FCSS involvement in the provision of services to families, this section was revised to create separate reporting categories for adults and families. This revision allows for more detailed reporting based on a specific population segment, but does not impact combined total expenditures reported.

An expenditure percentage of 45.8 per cent was achieved within the FCSS Projects and Services categories for Children/Youth (Category A) and Families (Category B) (Annual FCSS Program Report Section 2) submitted by participating municipalities and Métis Settlements. The measure is hence derived as follows: [Category A + Category B] Expenditures divided by the Total FCSS Expenditures.

Child and Family Services Authorities Financial Statements

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

102 Auditor's Report

103 Statements of Operations

104 Statements of Financial Position

105 Statements of Cash Flows

106 Notes to the Financial Statements

112 Schedule 1 - Expenses - Directly Incurred Detailed by Object

113 Schedule 2 - Salary and Benefits Disclosure

114 Schedule 3 - Related Party Transactions

115 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Southwest Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Southwest Alberta Child and Family Services Authority (the Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 9, 2010

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

(in thousands)

	2010 Budget	2010 Actual	2009 Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 41,261	$ 42,722	$ 40,700
Other Revenue			
Inter-Authority Services	78	22	30
Other Revenue	40	237	132
	41,379	**42,981**	**40,862**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	6,447	7,466	6,409
Child Care	5,640	6,901	6,225
Prevention of Family Violence and Bullying	-	95	93
Parenting Resources Initiative	402	1,120	383
Fetal Alcohol Spectrum Disorder Initiatives	72	538	531
Keeping children, youth and families safe and protected:			
Child Intervention Services	17,941	17,396	16,918
Foster Care Support	8,670	8,866	8,146
Protection of Sexually Exploited Children	267	242	246
Child and Youth Support	313	299	301
Promoting healthy communities for children, youth and families:			
Community Initiatives	75	6	60
Support Services:			
Program Support	1,334	1,123	1,254
Board Governance	140	99	145
Inter-Authority Services	78	22	30
Valuation Adjustments (Note 2)	-	83	121
TOTAL EXPENSES	**41,379**	**44,256**	**40,862**
Net Operating Results	**$ -**	**$ (1,275)**	**$ -**

The accompanying notes and schedules are part of these financial statements.

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands)	
	2010	**2009**
Assets		
Cash	$ 3,254	$ 3,920
Accounts Receivable (Note 4)	1,296	1,308
Prepaids	25	-
	$ 4,575	**$ 5,228**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 3,497	$ 2,875
Net Assets		
Net Assets at Beginning of Year	2,353	2,353
Net Operating Results	(1,275)	-
Net Assets at End of Year	1,078	2,353
	$ 4,575	**$ 5,228**

The accompanying notes and schedules are part of these financial statements.

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ (1,275)	$ -
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	83	121
	(1,192)	121
Decrease in Accounts Receivable	5	12
Increase in Prepaids	(25)	-
Increase in Accounts Payable and Accrued Liabilities	546	25
Cash Provided by Operating Transactions	(666)	158
Increase in Cash	(666)	158
Cash, Beginning of Year	3,920	3,762
Cash, End of Year	**$ 3,254**	**$ 3,920**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Southwest Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Southwest Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions for the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Asset /Net Liabilities

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

Budget
(in thousands)

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $41,379 on May 29, 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized and disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $1,296 and $3,497 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimate.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 41,261
Additional funding for the current year	1,461
Grant for the year	$ 42,722

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Child & Family Services Authorities	$ 12	$ -	$ 12	$ -
Department of Children and Youth Services	1,149	-	1,149	1,204
Refunds from Suppliers	145	10	135	104
	$ 1,306	$ 10	$ 1,296	$ 1,308

Accounts receivable are unsecured and non-interest bearing.

Note 5 Accounts payable and accrued liabilities
(in thousands)

	2010	2009
Trade Payable	$ 1,781	$ 1,578
Accrued Vacation Pay and Manpower Expenses	1,649	1,258
Department of Children and Youth Services	28	18
Child and Family Services Authorities	39	21
	$ 3,497	$ 2,875

Note 6 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ended March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010 and March 31, 2009, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 11	$ 58

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-2011	11
	$ 11

Note 7 Contingent liabilities

(in thousands)

At March 31, 2010, the Authority is a defendant in three legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (March 31, 2009 – three legal claims). The three claims have specified amounts totalling $326,300 (March 31, 2009 – three claims with a specified amount of $326,300). The Authority is jointly named with other entries in these three claims. One claim amounting to $1,300 (March 31, 2009 – one claim amounting to $1,300) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 8 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $957 for the year ended March 31, 2010 (March 31, 2009 – $830).

Note 9 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
Salaries, Wages and Employee Benefits [a]	$ 13,378	$ 13,118	$ 12,258
Supplies and Services	17,190	16,703	17,220
Grants	10,733	14,330	11,233
Inter-Authority Services	78	22	30
Other	-	83	121
Total Expenses	**$ 41,379**	**$ 44,256**	**$ 40,862**

(a) This includes $0 (March 31, 2009 - $81) in achievement bonuses for management and non-union staff.

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 26,700	$ -	$ 26,700	$ 27,501
Co-Chair of the Authority	-	21,842	-	21,842	28,389
Board Members (6 members)	-	49,561	-	49,561	66,158
Chief Executive Officer	126,260	-	36,175	162,435	225,323

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes regular pay.

(2) Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2010. Co-chairs and board members receive honoraria only. The Department of Children and Youth Services paid $18,480 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 42,722	$ 40,700	$ -	$ -
Recoveries - Inter-Authority Services	22	30	-	-
	$ 42,744	**$ 40,730**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 58	$ 80	$ -	$ -
Department of Children and Youth Services	177	195	-	-
Department of Advanced Education and Technology	-	-	-	109
Department of Education	-	-	105	164
Department of Health and Wellness	-	-	686	692
Department of Service Alberta	-	-	39	24
	$ 235	**$ 275**	**$ 830**	**$ 989**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 1,124	$ 1,186	$ -	$ -
Calgary and Area Child and Family Services Authority	(29)	(16)	-	-
Edmonton and Area Child and Family Services Authority	2	(5)	-	-
Department of Seniors and Community Supports	-	-	(5)	-
	$ 1,097	**$ 1,165**	**$ (5)**	**$ -**

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 1,526	$ 1,110
Administrative	756	672
	$ 2,282	**$ 1,782**

SOUTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

	2010						2009
		Expenses - Incurred by Others		Valuation Adjustments [4]		Total	Total
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Vacation Pay	Doubtful Accounts	Expenses	Expenses
Family Support for Children with Disabilities	$ 7,466	$ 104	$ -	$ 5	$ -	$ 7,575	$ 6,486
Child Care	6,901	74	-	4	-	6,979	6,295
Prevention of Family Violence and Bullying	95	10	-	-	-	105	102
Parenting Resources Initiative	1,120	-	-	-	-	1,120	383
Fetal Alcohol Spectrum Disorder Initiatives	538	-	-	-	-	538	531
Child Intervention Services	17,396	1,091	-	55	-	18,542	17,779
Foster Care Support	8,866	131	-	7	-	9,004	8,263
Protection of Sexually Exploited Children	242	11	-	-	-	253	264
Child and Youth Support	299	12	-	-	7	318	305
Community Initiatives	6	-	-	-	-	6	60
Program Support	1,123	93	756	5	-	1,977	2,001
Board Governance	99	-	-	-	-	99	145
Inter-Authority Services	22	-	-	-	-	22	30
	$ 44,173	$ 1,526	$ 756	$ 76	$ 7	$ 46,538	$ 42,644

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Southwest Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific program.

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

118 Auditor's Report

119 Statements of Operations

120 Statements of Financial Position

121 Statements of Cash Flows

122 Notes to the Financial Statements

129 Schedule 1 - Expenses - Directly Incurred Detailed by Object

130 Schedule 2 - Salary and Benefits Disclosure

131 Schedule 3 - Related Party Transactions

132 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Southeast Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Southeast Alberta Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
May 26, 2010

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 24,001	$ 26,611	$ 26,194
Other Revenue			
Other Revenue	19	9	17
	24,020	**26,620**	**26,211**
EXPENSES (Schedule 1 and 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	2,876	3,225	2,883
Child Care	4,824	4,673	4,017
Prevention of Family Violence and Bullying	82	71	66
Parenting Resources Initiative	249	787	256
Fetal Alcohol Spectrum Disorder Initiatives	90	93	88
Keeping children, youth and families safe and protected:			
Child Intervention Services	11,244	11,604	12,635
Foster Care Support	3,426	4,633	4,855
Protection of Sexually Exploited Children	85	69	68
Child and Youth Support	93	76	90
Promoting healthy communities for children, youth and families:			
Community Initiatives	-	-	-
Support Services:			
Program Support	975	1,030	1,088
Board Governance	76	45	58
Amortization	-	1	1
Valuation Adjustments	-	113	106
TOTAL EXPENSES	**24,020**	**26,420**	**26,211**
Net Operating Results	**$ -**	**$ 200**	**$ -**

The accompanying notes and schedules are part of these financial statements.

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 899	$ -
Accounts Receivable (Note 4)	761	1,247
Prepaid Expenses	4	6
Tangible Capital Assets (Note 5)	3	4
	$ 1,667	**$ 1,257**
Liabilities		
Bank Overdraft	$ -	$ 160
Accounts Payable and Accrued Liabilities (Note 6)	1,903	1,533
	1,903	1,693
Net Assets (Liabilities)		
Net Assets at Beginning of Year	(436)	(436)
Net Operating Results	200	-
Net (Liabilities) Assets at End of Year	(236)	(436)
	$ 1,667	**$ 1,257**

The accompanying notes and schedules are part of these financial statements.

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands)	
	2010	**2009**
Operating Transactions		
Net Operating Results	$ 200	$ -
Non-Cash Items included in Net Operating Results:		
Amortization	1	1
Valuation Adjustments	113	106
	314	107
Decrease (increase) in Accounts Receivable	468	(622)
Decrease (increase) in Prepaids	2	(1)
Increase (decrease) in Accounts Payable and Accrued Liabilities	275	(49)
Cash Applied to Operating Transactions	1,059	(565)
Increase (decrease) in Cash	1,059	(565)
Cash, (Bank Overdraft) Beginning of Year	(160)	405
Cash, (Bank Overdraft) End of Year	**$ 899**	**$ (160)**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Southeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

The financial statements have been prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the authority.

Reporting Entity

The reporting entity is the Southeast Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the major enhancement threshold of $100,000 and all other tangible capital assets is $5,000.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Asset /Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget
(in thousands)

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $24,020 on March 25 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $761 and $1903 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Voluntary Contributions

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grants are determined as follows:

Initial (original) budget	$ 24,001
Additional funding for the current year	2,610
Grant for the year	$ 26,611

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 756	$ -	$ 756	$ 1,241
Refunds from Suppliers	5	-	5	6
	$ 761	$ -	$ 761	$ 1,247

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	2010		2009
	Equipment*	Total	Total
Estimated Useful Life	5 years		
Historical Cost			
Beginning of Year	$ 6	$ 6	$ 6
Additions	-	-	-
	6	6	6
Accumulated Amortization			
Beginning of Year	2	2	1
Amortization Expense	1	1	1
	3	3	2
Net Book Value at March 31, 2010	3		
Net Book Value at March 31, 2009	$ 4	$ 4	$ 4

*Equipment includes office equipment, furniture and other equipment.

Note 6 Accounts payable and accrued liabilities

(in thousands)

	2010	2009
Trade Payables	$ 1,126	$ 844
Accrued Vacation Pay and Manpower Expenses	749	678
Department of Children and Youth Services	2	3
Child and Family Services Authorities	26	8
Other	-	-
	$ 1,903	$ 1,533

Note 7 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 9	$ 34

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-11	$ 8,872
	$ 8,872

Note 8 Contingent liabilities
(in thousands)

At March 31, 2010, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009–two legal claims). The two claims have specified amounts totalling $325,000 (2009– two claims with a specified amount of $325,000). The Authority is jointly named with other entities in these two claims. Neither claim is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Managers. The expense for these pension plans is equivalent to the annual contribution of $547 for the year ended March 31, 2010, (2009 – $478).

Note 10 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [(a)]	$ 8,294	$ 7,389	$ 7,575
Supplies and Services	9,191	11,300	12,944
Grants	6,535	7,617	5,585
Amortization of Capital Assets	-	1	1
Other	-	113	106
Total Expenses	**$ 24,020**	**$ 26,420**	**$ 26,211**

(a) This includes 2010 - $0 (2009-$51) in achievement bonuses for management and non-union staff

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 14,444	$ -	$ 14,444	$ 19,502
Co-Chair of the Authority	-	13,403	-	13,403	17,198
Board Members (6 members)	-	20,200	-	20,200	34,538
Chief Executive Officer	172,995	13,409	40,781	227,185	215,293

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes regular pay.

(2) Other cash benenfits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstance). There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $13,893 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships.

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 26,611	$ 26,194	$ -	$ -
Recoveries - Inter-Authority Services	-	-	-	-
Prior-Year Revenue - First Nations Reserves	-	-	-	-
	$26,611	**$ 26,194**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 102	$ 102	$ -	$ -
Department of Children and Youth Services	295	326	-	-
Department of Education	-	-	281	204
Department of Health and Wellness	-	-	250	317
Department of Employment, Immigration and Industry	-	-	-	-
Department of Service Alberta	-	-	27	24
	$ 397	**$ 428**	**558**	**$ 545**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 754	$ 1,238	$ -	$ -
Calgary and Area Child and Family Services Authority	(4)	(7)	-	-
North Central Alberta Child and Family Services Authority	(22)	-	-	-
	$ 728	**$ 1,231**	**$ -**	**$ -**

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2010	2009
Accommodation	$ 880	$ 826
Administrative	409	390
Legal Services	-	-
	$ 1,289	**$ 1,216**

SOUTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments [4]			
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Family Support for Children with Disabilities	$ 3,225	$ 47	$ 22	$ -	$ 5	$ -	$ 3,299	$ 2,929
Child Care	4,673	56	26	-	6	18	4,779	4,073
Prevention of Family Violence and Bullying	71	10	5	-	1	-	87	66
Parenting Resources Initiative	787	-	-	-	-	-	787	256
Fetal Alcohol Spectrum Disorder Initiatives	93	-	-	-	-	-	93	88
Child Intervention Services	11,604	629	292	-	68	-	12,593	13,334
Foster Care Support	4,633	59	27	-	6	-	4,725	4,901
Protection of Sexually Exploited Children	69	4	2	-	1	-	76	68
Child and Youth Support	76	2	1	-	-	-	79	109
Community Initiatives	-	-	-	-	-	-	-	-
Program Support	1,030	73	34	-	8	-	1,145	1,544
Board Governance	45	-	-	-	-	-	45	58
Amortization	1	-	-	-	-	-	1	1
	$ 26,307	**$ 880**	**$ 409**	**$ -**	**$ 95**	**$ 18**	**$ 27,709**	**$ 27,427**

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustment.
(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Southeast Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.
(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.
(4) Valuation Adjustment as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:
- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific program.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

134 Auditor's Report

135 Statements of Operations

136 Statements of Financial Position

137 Statements of Cash Flows

138 Notes to the Financial Statements

146 Schedule 1 - Expenses - Directly Incurred Detailed by Object

147 Schedule 2 - Salary and Benefits Disclosure

148 Schedule 3 - Related Party Transactions

149 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Calgary and Area Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Calgary and Area Child and Family Services Authority (the Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 8, 2010

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 228,009	$ 232,794	$ 226,368
Other Revenue			
Inter-Authority Services	50	139	125
Other Revenue	1,340	1,410	2,309
	229,399	**234,343**	**228,802**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	39,842	45,133	41,522
Child Care	29,888	32,310	28,928
Prevention of Family Violence and Bullying	750	615	651
Parenting Resources Initiative	2,087	5,075	1,997
Fetal Alcohol Spectrum Disorder Initiatives	1,430	1,233	1,280
Keeping children, youth and families safe and protected:			
Child Intervention Services	100,754	103,706	101,968
Foster Care Support	45,295	42,306	43,162
Protection of Sexually Exploited Children	1,690	1,776	1,376
Child and Youth Support	950	840	906
Promoting healthy communities for children, youth and families:			
Community Initiatives	3,247	2,833	3,046
Support Services:			
Program Support	3,266	2,915	3,183
Board Governance	150	90	114
Amortization	-	29	28
Inter-Authority Services	50	139	125
Valuation Adjustments (Note 2)	-	1,026	516
TOTAL EXPENSES	**229,399**	**240,026**	**228,802**
Net Operating Results	**$ -**	**$ (5,683)**	**$ -**

The accompanying notes and schedules are part of these financial statements.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands)	
	2010	**2009**
Assets		
Cash	$ 19,974	$ 17,828
Accounts Receivable (Note 4)	5,974	11,855
Tangible Capital Assets (Note 5)	98	127
	$ 26,046	**$ 29,810**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 17,445	$ 15,526
Net Assets		
Net Assets at Beginning of Year	14,284	14,284
Net Operating Results	(5,683)	-
Net Assets at End of Year	8,601	14,284
	$ 26,046	**$ 29,810**

The accompanying notes and schedules are part of these financial statements.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands)	
	2010	**2009**
Operating Transactions		
Net Operating Results	$ (5,683)	$ -
Non-Cash Items included in Net Operating Results:		
Amortization	29	28
Valuation Adjustments	1,026	516
	(4,628)	544
Decrease (Increase) in Accounts Receivable	5,449	(7,301)
(Decrease) Increase in Accounts Payable and Accrued Liabilities	1,325	(459)
Cash Provided by Operating Transactions	2,146	(7,216)
Decrease in Cash	2,146	(7,216)
Cash, Beginning of Year	17,828	25,044
Cash, End of Year	**$ 19,974**	**$ 17,828**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Calgary and Area Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Calgary and Area Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amount can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget
(in thousands)

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $229,399 on June 24, 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.
The accrued accounts receivable and accounts payable and accrued liabilities recorded as

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

$5,974 and $17,445 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 228,009
Additional funding for the current year	4,785
Grant for the year	$ 232,794

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 4,576	$ -	$ 4,576	$ 11,103
Refunds from suppliers	1,344	-	1,344	715
Child and Family Services Authorities	54	-	54	37
	$ 5,974	$ -	$ 5,974	$ 11,855

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	Equipment*	Leasehold Improvements	Computer hardware and software	2010 Total	2009 Total
Estimated Useful Life	10 Years	7 Years	5 Years		
Historical Cost					
Beginning of Year	$ 199	$ 59	$ 329	$ 587	$ 587
Additions	-	-	-	-	-
	199	59	329	587	587
Accumulated Amortization					
Beginning of Year	89	42	329	460	-
Amortization Expense	20	9	-	29	-
	109	51	329	489	460
Net Book Value at March 31, 2010	$ 90	$ 8	$ -	$ 98	
Net Book Value at March 31, 2009	$ 110	$ 17	$ -		$ 127

*Equipment includes office equipment, furniture and other equipment

Note 6 Accounts payable and accrued liabilities

(in thousands)

	2010	2009
Trade Payable	$ 10,995	$ 10,352
Accrued Vacation Pay and Manpower Expenses	6,385	5,069
Department of Children and Youth Services	42	76
Child and Family Services Authorities	19	20
Other	4	9
	$ 17,445	$ 15,526

Note 7 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 1	$ 12

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-11	1
	$ 1

Note 8 Contingent liabilities
(in thousands)

At March 31, 2009, the Authority is a defendant in nine legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009–nine legal claims). The nine claims have specified amounts totalling $378,747 (2009–nine claims with a specified amount of $378,815). Included in the total legal claims are eight claims amounting to $366,047 (2009-seven claims amounting to $366,030) in which the Authority has been jointly named with other entities. Six claims amounting to $49,811 (2009–six claims amounting to $49,890) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Third Party Agreements
(in thousands)

The Authority has entered into third party agreements with Student Health Partnership and Seniors and Community Supports to deliver various program services. The revenues (not in brackets in the table below) of $669 (2009 - $980) and expenses (in brackets in the table below) of $357 (2009 - $573) are included in the financial statements.

	2010	2009
Student Health Partnership	$ 669	$ 980
Seniors and Community Supports	(357)	(573)
	$ 312	$ 407

Note 10 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $3,464 for the year ended March 31, 2010 (2009 – $3,002).

Note 11 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 12 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	**2010 Actual**	**2009 Actual**
Salaries, Wages and Employee Benefits [a]	$ 48,000	$ 46,955	$ 44,923
Supplies and Services	119,579	118,416	119,976
Supplies and Services from support service arrangements with related parties [b]	-	357	573
Grants	61,770	73,078	62,633
Amortization of Capital Assets	-	29	28
Inter-Authority Services	50	139	125
Other	-	1,052	544
Total Expenses	**$ 229,399**	**$ 240,026**	**$ 228,802**

(a) This includes $0 (2009 - $205) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Seniors and Community Supports.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 13,733	$ -	$ 13,733	$ 13,266
Co-Chair of the Authority	-	24,568	-	24,568	18,779
Board Members (11 members)	-	43,963	-	43,963	65,429
Chief Executive Officer [4]	179,432	43,012	5,841	228,285	255,470

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base Salary includes regular pay.

(2) Other cash benefits include vacation payouts. There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $11,952 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

(4) Automobile provided until June 23, 2009, no dollar amount included in other non-cash benefits.

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 232,794	$ 226,368	$ -	$ -
Recoveries - Inter-Authority Services	139	125	-	-
Miscellaneous Revenue:				
Department of Education	-	-	479	980
	$ 232,933	$ 226,493	$ 479	$ 980
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 91	$ 128	$ -	$ -
Department of Children and Youth Services	1,416	1,564	-	-
Department of Advanced Education and Technology	-	-	194	266
Department of Education	-	-	961	1,120
Department of Health and Wellness	-	-	1,296	822
Department of Service Alberta	-	-	119	100
Department of Infrastructure	-	-	12	2
Persons with Developmental Disabilities	-	-	-	573
	$ 1,507	$ 1,692	$ 2,582	$ 2,883
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 4,534	$ 11,027	$ -	$ -
Department of Education	-	-	190	-
Southwest Alberta Child and Family Services Authority	29	16	-	-
Southeast Alberta Child and Family Services Authority	4	7	-	-
Edmonton and Area Child and Family Services Authority	-	(3)	-	-
Central Alberta Child and Family Services Authority	2	(3)	-	-
	$ 4,569	$ 11,044	$ 190	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 4,545	$ 5,318
Administrative	2,585	2,807
Legal Services	1,494	1,916
	$ 8,624	$ 10,041

CALGARY AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Family Support for Children with Disabilities	$ 45,133	$ 426	$ 242	$ -	$ 56	$ -	$ 45,857	$ 42,320
Child Care	32,310	293	167	-	38	432	33,240	29,544
Prevention of Family Violence and Bullying	615	9	5	-	1	-	630	667
Parenting Resources Initiative	5,075	-	-	-	-	-	5,075	1,997
Fetal Alcohol Spectrum Disorder Initiatives	1,233	-	-	-	-	-	1,233	1,280
Child Intervention Services	103,706	3,519	2,001	1,494	460	-	111,180	110,437
Foster Care Support	42,306	205	117	-	27	-	42,655	43,603
Protection of Sexually Exploited Children	1,776	8	5	-	1	-	1,790	1,376
Child and Youth Support	840	16	9	-	2	-	867	937
Community Initiatives	2,833	-	-	-	-	-	2,833	3,062
Program Support	2,915	69	39	-	9	-	3,032	3,353
Board Governance	90	-	-	-	-	-	90	114
Inter-Authority Services	139	-	-	-	-	-	139	125
Amortization	29	-	-	-	-	-	29	28
	$ 239,000	$ 4,545	$ 2,585	$ 1,494	$ 594	$ 432	$ 248,650	$ 238,843

(1) Expenses - Directly incurred as per the Statements of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure represent the Calgary and Area Child and Family Services Authority's building costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act.*

(5) Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific program.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

152 Auditor's Report

153 Statements of Operations

154 Statements of Financial Position

155 Statements of Cash Flows

156 Notes to the Financial Statements

163 Schedule 1 - Expenses - Directly Incurred Detailed by Object

164 Schedule 2 - Salary and Benefits Disclosure

165 Schedule 3 - Related Party Transactions

166 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Central Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Central Alberta Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 7, 2010

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 70,651	$ 71,952	$ 69,091
Other Revenue			
Inter-Authority Services	75	86	74
Other Revenue - Donations / External	600	2,026	1,754
	71,326	**74,064**	**70,919**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	11,121	10,028	10,524
Child Care	7,664	7,049	6,642
Prevention of Family Violence and Bullying	716	691	705
Parenting Resources Initiative	1,015	2,132	920
Fetal Alcohol Spectrum Disorder Initiatives	243	289	297
Keeping children, youth and families safe and protected:			
Child Intervention Services	30,545	31,779	31,041
Foster Care Support	14,403	16,946	15,321
Protection of Sexually Exploited Children	993	1,019	963
Child and Youth Support	397	409	399
Promoting healthy communities for children, youth and families:			
Community Initiatives	1,583	1,365	1,495
Support Services:			
Program Support	2,302	1,883	2,130
Board Governance	269	182	279
Amortization	-	1	1
Inter-Authority Services	75	86	74
Valuation Adjustments (Note 2)	-	(113)	128
TOTAL EXPENSES	**71,326**	**73,746**	**70,919**
Net Operating Results	**$ -**	**$ 318**	**$ -**

The accompanying notes and schedules are part of these financial statements.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

		(in thousands) 2010	2009
Assets			
	Cash	$ 4,971	$ 3,233
	Accounts Receivable (Note 4)	2,312	3,272
	Prepaid Expenses	-	1
	Tangible Capital Assets (Note 5)	1	2
		$ 7,284	**$ 6,508**
Liabilities			
	Accounts Payable and Accrued Liabilities (Note 6)	$ 5,207	$ 4,749
Net Assets			
	Net Assets at Beginning of Year	1,759	1,759
	Net Operating Results	318	-
	Net Assets at End of Year	2,077	1,759
		$ 7,284	**$ 6,508**

The accompanying notes and schedules are part of these financial statements.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands)	
	2010	**2009**
Operating Transactions		
Net Operating Results	$ 318	$ -
Non Cash Items included in Net Operating Results:		
Amortization	1	1
Valuation Adjustments	(113)	128
	206	129
Decrease (Increase) in Accounts Receivable	932	(926)
Decrease in Prepaids	1	-
Increase (Decrease) in Accounts Payable and Accrued Liabilites	599	(279)
Cash Provided by (Used In) Operating Transactions	1,738	(1,076)
Increase (Decrease) in Cash	1,738	(1,076)
Cash, Beginning of Year	3,233	4,309
Cash, End of Year	**$ 4,971**	**$ 3,233**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Amortization of tangible capital assets.
- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.
- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.
- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amount can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget
(in thousands)

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $71,326 on April 6, 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. The accrued accounts receivable and accounts payable and accrued liabilities recorded as $2,312 and $5,207 respectively

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 70,651
Additional funding for the current year	1,301
Grant for the year	$ 71,952

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 1,462	$ -	$ 1,462	$ 2,183
Other Receivables	835	-	835	982
Refunds from suppliers	-	-	-	90
Child and Family Services Authorities	15	-	15	17
	$ 2,312	$ -	$ 2,312	$ 3,272

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	Equipment*	2010	2009 Total
Estimated Useful Life	10 years		
Historical Cost			
Beginning of Year	$ 7		$ 7
Writeoff	-		-
	7		7
Accumulated Amortization			
Beginning of Year	5		4
Amortization Expense	1		1
	6		5
Net Book Value at March 31, 2010	$ 1		
Net Book Value at March 31, 2009			$ 2

*Equipment includes office equipment, furniture and other equipment.

Note 6 Accounts Payable and Accrued Liabilities

(in thousands)

	2010	2009
Trade Payable	$ 2,821	$ 2,323
Accrued Vacation Pay and Manpower Expenses	1,744	1,849
Department of Children and Youth Services	197	217
Child and Family Services Authorities	105	14
Other	340	346
	$ 5,207	$ 4,749

Note 7 Contractual Obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 11	$ 59

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010 - 2011	$ 11

Note 8 Contingent Liabilities
(in thousands)

At March 31, 2010, the Authority is a defendant in four legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009–four legal claims). The four claims have specified amounts totalling $326,151 (2009–four claims with a specified amount of $326,151). Included in the total legal claims are three claims amounting to $326,150 in which the Authority has been jointly named with other entities. One claim amounting to $1,150 (2009–one claim amounting to $1,150) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Managers. The expense for these pension plans is equivalent to the annual contribution of $ 1,381 for the year ended March 31, 2010 (2009 – $1,223).

Note 10 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [a]	$ 18,858	$ 18,495	$ 18,051
Supplies and Services	37,202	38,973	38,731
Grants	15,266	16,304	13,934
Amortization of Capital Assets	-	1	1
Inter-Authority Services	-	86	74
Other	-	(113)	128
Total Expenses	**$ 71,326**	**$ 73,746**	**$ 70,919**

a) This includes $00 (March 31, 2009 - $126) in achievement bonuses for management and non-union staff.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 26,526	$ -	$ 26,526	$ 45,016
Co-Chair of the Authority	-	31,671	-	31,671	41,261
Board Members (13 members)	-	80,990	-	80,990	135,606
Chief Executive Officer [4] [5]	123,794	12,336	29,686	165,816	183,911

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular pay.

[2] Other cash benefits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstance). There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $18,228 of the total honoraria expenses disclosed in this schedule.

[3] Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

[4] The position was occupied by two different individuals during the year.

[5] Automobile provided, no dollar amount included in other non-cash benefits.

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 71,952	$ 69,091	$ -	$ -
Recoveries - Inter-Authority Services	86	74	-	-
	$ 72,038	**$ 69,165**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 442	$ 38	$ -	$ -
Department of Children and Youth Services	472	521	-	-
Department of Advanced Education and Technology	-	-	4	7
Department of Education	-	-	1,038	880
Department of Health and Wellness	-	-	118	68
Department of Service Alberta	-	-	107	38
	$ 914	**$ 559**	**$ 1,267**	**$ 993**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 1,265	$ 1,966	$ -	$ -
Child and Family Services Authority - Receivables	15	3	-	-
Child and Family Services Authority - Payables	(105)	-	-	-
Department of Education	-	-	-	9
Department of Health and Wellness	-	-	-	12
	$ 1,175	**$ 1,969**	**$ -**	**$ 21**

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 2,686	$ 2,136
Administrative	1,009	952
Legal Services	75	70
	$ 3,770	**$ 3,158**

CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

Year ended March 31

SCHEDULE 4

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments		Total	Total
Program	Expenses[1]	Accommodation Costs[2]	Admin Costs[3]	Legal Services[4]	Vacation Pay[5]	Writeoff Losses[5]	Expenses	Expenses
Family Support for Children with Disabilities	$ 10,028	$ 272	$ 102	$ 7	$ (14)	$ -	10,395	$ 10,828
Child Care	7,049	172	65	5	(9)	28	7,310	6,824
Prevention of Family Violence and Bullying	691	35	13	1	(2)	-	738	762
Parenting Resources Initiative	2,132	-	-	-	-	-	2,132	920
Fetal Alcohol Spectrum Disorder Initiatives	289	-	-	-	-	-	289	297
Child Intervention Services	31,779	1,755	660	49	(93)	-	34,150	33,237
Foster Care Support	16,946	195	73	5	(10)	-	17,209	15,517
Protection of Sexually Exploited Children	1,019	7	3	-	-	-	1,029	973
Child and Youth Support	409	4	1	-	-	-	414	409
Community Initiatives	1,365	51	19	2	(3)	-	1,434	1,569
Program Support	1,883	195	73	6	(10)	-	2,147	2,387
Board Governance	182	-	-	-	-	-	182	279
Inter-Authority Services	86	-	-	-	-	-	86	74
Amortization	1	-	-	-	-	-	1	1
	$ 73,859	$ 2,686	$ 1,009	$ 75	$ (141)	$ 28	$ 77,516	$ 74,077

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Central Alberta Child and Family Services Authority's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.

(5) Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Writeoff is allocated to specific program.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

168 Auditor's Report

169 Statements of Operations

170 Statements of Financial Position

171 Statements of Cash Flows

172 Notes to the Financial Statements

178 Schedule 1 - Expenses - Directly Incurred Detailed by Object

179 Schedule 2 - Salary and Benefits Disclosure

180 Schedule 3 - Related Party Transactions

181 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the East Central Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the East Central Alberta Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
May 26, 2010

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 21,116	$ 21,887	$ 23,015
Other Revenue			
Inter-Authority Services	-	1	14
Other Revenue	-	32	10
	21,116	21,920	23,039
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	4,148	4,739	4,925
Child Care	1,510	1,977	1,622
Prevention of Family Violence and Bullying	-	70	91
Parenting Resources Initiative	433	1,025	423
Fetal Alcohol Spectrum Disorder Initiatives	50	50	48
Keeping children, youth and families safe and protected:			
Child Intervention Services	9,027	7,999	9,645
Foster Care Support	3,303	3,109	3,497
Protection of Sexually Exploited Children	82	82	79
Child and Youth Support	177	211	191
Promoting healthy communities for children, youth and families:			
Community Initiatives	769	493	770
Support Services:			
Program Support	1,528	1,336	1,551
Board Governance	89	86	85
Inter-Authority Services	-	1	14
Valuation Adjustments (Note 2)	-	4	98
TOTAL EXPENSES	21,116	21,182	23,039
Net Operating Results	$ -	$ 738	$ -

The accompanying notes and schedules are part of these financial statements.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 1,716	$ 382
Accounts Receivable (Note 4)	680	1,737
	$ 2,396	**$ 2,119**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 1,503	$ 1,964
Net Assets		
Net Assets at Beginning of Year	155	155
Net Operating Results	738	-
Net Assets at End of Year	893	155
	$ 2,396	**$ 2,119**

The accompanying notes and schedules are part of these financial statements.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands)	
	2010	**2009**
Operating Transactions		
Net Operating Results	$ 738	$ -
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	4	98
	742	98
Decrease (Increase) in Accounts Receivable	1,047	(1,205)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(455)	207
Cash Provided by (applied to) Operating Transactions	1,334	(900)
Increase (Decrease) in Cash	1,334	(900)
Cash, Beginning of Year	382	1,282
Cash, End of Year	**$ 1,716**	**$ 382**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The East Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the East Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc, directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Asset /Net Liabilities

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

Budget *(in thousands)*

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $21,116 on May 26, 2009.

Measurement Uncertainty *(in thousands)*

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $680 and $1,503 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear and aging analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services (in thousands)

The grant is determined as follows:

Initial (original) budget	$ 21,116
Additional funding for the current year	771
Grant for the year	$ 21,887

Note 4 Accounts Receivable (in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 463	$ -	$ 463	$ 1,671
Refunds from Suppliers	217	-	217	66
	$ 680	$ -	$ 680	$ 1,737

Accounts receivable are unsecured and non-interest bearing.

Note 5 **Accounts payable and accrued liabilities** (in thousands)

	2010	2009
Trade Payable	$ 1,206	$ 1,770
Accrued Vacation Pay and Manpower Expenses	221	106
Department of Children and Youth Services	27	54
Child and Family Services Authorities	49	34
	$ 1,503	$ 1,964

Note 6 **Contractual obligations** (in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [(a)]	$ 4	$ 33

[(a)] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2011	$ 4

Note 7 **Contingent Liabilities** (in thousands)

At March 31, 2010, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009–three-legal claims). The two claims have specified amounts totalling $325,000 (2009–three claims with a specified amount of $325,008). Included in the total legal claims are three claims amounting to $325,000 in which the Authority has been jointly named with other entities. Two claims amounting to $325,000 are not covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 8 **Benefit Plans** (in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $429 for the year ended March 31, 2010 (2009 – $385).

Note 9 **Comparative Figures**

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 10 **Approval of Financial Statements**

The financial statements were approved by the Authority's Board.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [(a)]	$ 5,584	$ 5,551	$ 5,548
Supplies and Services	10,511	9,082	11,489
Grants	5,021	6,544	5,890
Inter-Authority Services	-	1	14
Other	-	4	98
Total Expenses	**$ 21,116**	**$ 21,182**	**$ 23,039**

(a) This includes $0 (2009 - $50) in achievement bonuses for management and non-union staff.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 33,193	$ -	$ 33,193	$ 10,798
Co-Chair of the Authority	-	22,942	-	22,942	11,638
Board Members (5 members)	-	28,273	-	28,273	59,965
Chief Executive Officer [4]	162,715	-	34,658	197,373	205,093

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes regular pay.

(2) Other cash benefits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstance). There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $16,122 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including health care, dental coverage, group life insurance, short term disability plans, professional memberships, and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 21,887	$ 23,015	$ -	$ -
	$ 21,887	**$ 23,015**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 244	$ 273	$ -	$ -
Department of Children and Youth Services	177	196	-	-
Department of Advanced Education and Technology	-	-	-	18
Department of Education	-	-	296	549
Department of Health and Wellness	-	-	50	62
Department of Service Alberta	-	-	44	35
	$ 421	**$ 469**	**$ 390**	**$ 664**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 436	$ 1,617	$ -	$ -
Edmonton and Area Child and Family Services Authority	(49)	(34)	-	-
	$ 387	**$ 1,583**	**$ -**	**$ -**

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

	(in thousands)	
	Other Entities	
Expenses (Notional):	2010	2009
Accommodation	$ 718	$ 610
Administrative	294	285
Legal Services	26	70
	$ 1,038	**$ 965**

EAST CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments[5]			
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Family Support for Children with Disabilities	$ 4,739	$ 104	$ 43	$ 4	$ (1)	$ 1	$ 4,890	$ 5,032
Child Care	1,977	36	15	2	-	2	2,032	1,667
Prevention of Family Violence and Bullying	70	3	-	-	-	-	73	106
Parenting Resources Initiative	1,025	-	-	-	-	-	1,025	423
Fetal Alcohol Spectrum Disorder Initiatives	50	-	-	-	-	-	50	48
Child Intervention Services	7,999	383	157	14	(4)	5	8,554	10,279
Foster Care Support	3,109	39	16	1	-	-	3,165	3,542
Protection of Sexually Exploited Children	82	-	-	-	-	-	82	79
Child and Youth Support	211	7	3	-	-	-	221	198
Community Initiatives	493	-	-	-	-	-	493	770
Program Support	1,336	146	60	5	(1)	2	1,548	1,761
Board Governance	86	-	-	-	-	-	86	85
Inter-Authority Services	1	-	-	-	-	-	1	14
	$ 21,178	$ 718	$ 294	$ 26	$ (6)	$ 10	$ 22,220	$ 24,004

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the East Central Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific program.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

184 Auditor's Report

185 Statements of Operations

186 Statements of Financial Position

187 Statements of Cash Flows

188 Notes to the Financial Statements

196 Schedule 1 - Expenses - Directly Incurred Detailed by Object

197 Schedule 2 - Salary and Benefits Disclosure

198 Schedule 3 - Related Party Transactions

200 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of Edmonton and Area Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Edmonton and Area Child and Family Services Authority (the Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 4, 2010

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 289,880	$ 299,299	$ 299,156
Other Revenue			
Inter-Authority Services	553	1,361	519
Other Revenue - Donations / External	2,650	2,815	2,758
	293,083	**303,475**	**302,433**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	35,081	38,642	40,138
Child Care	45,030	50,114	42,371
Prevention of Family Violence and Bullying	509	507	503
Parenting Resources Initiative	3,035	5,497	3,014
Fetal Alcohol Spectrum Disorder Initiatives	965	1,233	1,233
Keeping children, youth and families safe and protected:			
Child Intervention Services	138,074	149,684	144,526
Foster Care Support	59,960	60,492	59,634
Protection of Sexually Exploited Children	2,110	2,353	2,092
Child and Youth Support	1,543	1,578	1,552
Promoting healthy communities for children, youth and families:			
Community Initiatives	1,997	2,120	2,008
Support Services:			
Program Support	4,026	4,007	4,224
Board Governance	200	125	187
Inter-Authority Services	553	1,361	519
Valuation Adjustments (Note 2)	-	505	432
TOTAL EXPENSES	**293,083**	**318,218**	**302,433**
Net Operating Results	**$ -**	**$ (14,743)**	**$ -**

The accompanying notes and schedules are part of these financial statements.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 2,442	$ 4,311
Accounts Receivable (Note 4)	8,481	19,026
	$ 10,923	**$ 23,337**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 21,266	$ 18,937
Net Assets		
Net Assets at Beginning of Year	4,400	4,400
Net Operating Results	(14,743)	-
Net Assets at End of Year	(10,343)	4,400
	$ 10,923	**$ 23,337**

The accompanying notes and schedules are part of these financial statements.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ (14,743)	$ -
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	505	432
	(14,238)	432
Decrease (Increase) in Accounts Receivable	10,545	(9,384)
Increase in Accounts Payable and Accrued Liabilities	1,824	550
Cash (Applied to) Operating Transactions	(1,869)	(8,402)
Decrease in Cash	(1,869)	(8,402)
Cash, Beginning of Year	4,311	12,713
Cash, End of Year	**$ 2,442**	**$ 4,311**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Edmonton and Area Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Edmonton and Area Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets

Net assets represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget *(in thousands)*

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $293,083 on June 10, 2009.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $8,481 and $21,266 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 289,880
Additional funding for the current year	9,419
Grant for the year	$ 299,299

Note 4 Accounts Receivable
(in thousands)

	2010		2009
	Gross Amount	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 7,245	$ 7,245	$ 16,114
Refunds from Suppliers	977	977	2,852
Child and Families Authorities	259	259	60
	$ 8,481	$ 8,481	$ 19,026

Accounts receivable are unsecured and non-interest bearing.

Note 5 Accounts payable and accrued liabilities

(in thousands)

	2010	2009
Trade Payables	$ 11,438	$ 10,721
Accrued Vacation Pay and Manpower Expenses	9,668	7,308
Department of Children and Youth Services	140	580
Child and Family Services Authorities	20	328
	$ 21,266	$ 18,937

Note 6 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010 the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [(a)]	$ 8	$ 50

(a) The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-11	$ 8

Note 7 Contingent liabilities
(in thousands)

At March 31, 2010, the Authority is a defendant in seventeen legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009 – sixteen legal claims). These seventeen claims have specified amounts totalling $451,593 (2009 – sixteen claims with a specified amount of $450,997). Included in the total legal claims are twelve claims amounting to $450,302 in which the Authority has been jointly named with other entities. Ten claims amounting to $124,511 (2009 – ten claims amounting to $124,499) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 8 Third Party Agreements
(in thousands)

The Authority has entered into one third party agreement with Edmonton Student Health Partnership, to deliver integrated health and related support services for children with special health needs registered in school programs. All costs incurred under this agreement are covered by reimbursement from Edmonton Catholic Schools. The following amounts are included in the financial statements:

	2010	2009
Edmonton Student Health Partnership Revenues	$ 2,112	$ 2,004
Edmonton Student Health Partnership Expenses	(2,112)	(2,004)
	$ -	$ -

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $5,172 for the year ended March 31 (2009 – $4,656).

Note 10 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	**2010 Actual**	**2009 Actual**
Salaries, Wages and Employee Benefits [(a)]	$ 73,409	$ 74,477	$ 71,481
Supplies and Services [(b)]	157,231	170,741	168,240
Grants	61,890	71,134	61,761
Inter-Authority Services	553	1,361	519
Other	-	505	432
Total Expenses	**$ 293,083**	**$ 318,218**	**$ 302,433**

(a) This includes $0 (2009 - $260) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Solicitor General and Public Security.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 17,019	$ -	$ 17,019	$ 22,562
Co-Chair of the Authority	-	15,419	-	15,419	20,544
Board Members (12 members)	-	87,199	-	87,199	141,237
Chief Executive Officer [4]	185,117	42,706	5,927	233,750	256,194

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular pay.

[2] Other cash benefits include vacation payments and lump sum payments. There were no bonuses paid in 2010. Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $5,091 of the total honoraria expenses disclosed in this schedule.

[3] Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

[4] The individual resigned from the position on March 24, 2010. The Assistant Deputy Minister of Ministry Support Services from the Department of Children and Youth Services started overseeing the functions and assuming the responsibilities of the region on the same date. His salary and benefits are reflected on the Department's financial statements.

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 299,299	$ 299,156	$ -	$ -
Recoveries - Inter-Authority Services	1,361	519	-	-
Miscellaneous Revenue:				
Department of Education	-	-	2,112	2,004
Department of Seniors and Community Supports	-	-	36	202
	$ 300,660	**$ 299,675**	**$ 2,148**	**$ 2,206**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 150	$ 3,009	$ -	$ -
Department of Children and Youth Services	1,828	2,020	-	-
Department of Advanced Education and Technology	-	-	104	145
Department of Education	-	-	439	593
Department of Health and Wellness	-	-	61	415
Department of Infrastructure	-	-	5	5
Department of Service Alberta	-	-	135	126
Department of Solicitor General and Public Security	-	-	109	315
	$ 1,978	**$ 5,029**	**$ 853**	**$ 1,599**

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3 (CONTINUED)

Year ended March 31

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 7,105	$ 15,534	$ -	$ -
Southwest Alberta Child and Family Services Authority	(2)	5	-	-
Southeast Alberta Child and Family Services Authority	22	-	-	-
Calgary and Area Child and Family Services Authority	-	3	-	-
Central Alberta Child and Family Services Authority	90	-	-	-
East Central Alberta Child and Family Services Authority	46	34	-	-
North Central Alberta Child and Family Services Authority	8	5	-	-
Northwest Alberta Child and Family Services Authority	(1)	(17)	-	-
Northeast Alberta Child and Family Services Authority	22	-	-	-
Metis Settlements Child And Family Services Authority	54	(298)	-	-
Department of Education	-	-	405	525
Department of Health and Wellness	-	-	5	8
Department of Solicitor General and Public Security	-	-	(25)	(50)
Department of Seniors and Community Supports	-	-	18	23
	$ 7,344	$ 15,266	$ 403	$ 506

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(in thousands)	
	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 8,791	$ 6,810
Administrative	4,276	4,057
Legal Services	2,187	2,412
	$ 15,254	$ 13,279

EDMONTON AND AREA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments [5]			
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses [6]
Family Support for Children with Disabilities	$ 38,642	$ 773	$ -	$ -	$ 44	$ -	$ 39,459	$ 40,790
Child Care	50,114	495	-	-	28	-	50,637	42,755
Prevention of Family Violence and Bullying	507	12	-	-	1	-	520	510
Parenting Resources Initiative	5,497	-	-	-	-	-	5,497	3,014
Fetal Alcohol Spectrum Disorder Initiatives	1,233	-	-	-	-	-	1,233	1,233
Child Intervention Services	149,684	6,982	4,276	2,187	400	-	163,529	156,633
Foster Care Support	60,492	28	-	-	2	-	60,522	59,685
Protection of Sexually Exploited Children	2,353	121	-	-	7	-	2,481	2,259
Child and Youth Support	1,578	12	-	-	1	-	1,591	1,567
Community Initiatives	2,120	203	-	-	12	-	2,335	2,175
Program Support	4,007	165	-	-	10	-	4,182	4,385
Board Governance	125	-	-	-	-	-	125	187
Inter-Authority Services	1,361	-	-	-	-	-	1,361	519
	$ 317,713	$ 8,791	$ 4,276	$ 2,187	$ 505	$ -	$ 333,472	$ 315,712

[1] Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

[2] Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Edmonton and Area Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

[3] Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

[4] Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child, Youth and Family Enhancement Act*.

[5] Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:
- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific programs.

[6] Administrative costs for 2009 have been allocated.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

202 Auditor's Report

203 Statements of Operations

204 Statements of Financial Position

205 Statements of Cash Flows

206 Notes to the Financial Statements

213 Schedule 1 - Expenses - Directly Incurred Detailed by Object

214 Schedule 2 - Salary and Benefits Disclosure

215 Schedule 3 - Related Party Transactions

216 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the North Central Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the North Central Alberta Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
May 26, 2010

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 48,324	$ 50,078	$ 49,315
Other Revenue			
Inter-Authority Services	395	374	468
Other Revenue - Donations / External	-	250	223
	48,719	**50,702**	**50,006**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	4,865	5,689	4,803
Child Care	3,920	4,754	3,927
Prevention of Family Violence and Bullying	71	91	71
Parenting Resources Initiative	707	1,737	744
Fetal Alcohol Spectrum Disorder Initiatives	238	582	499
Keeping children, youth and families safe and protected:			
Child Intervention Services	24,519	24,651	25,912
Foster Care Support	11,967	11,892	11,542
Protection of Sexually Exploitated Children	88	84	25
Child and Youth Support	503	449	435
Promoting healthy communities for children, youth and families:			
Community Initiatives	24	5	26
Support Services:			
Program Support	1,222	1,195	1,324
Board Governance	200	178	178
Amortization	-	3	5
Inter-Authority Services	395	374	468
Valuation Adjustments (Note 2)	-	147	47
TOTAL EXPENSES	**48,719**	**51,831**	**50,006**
Net Operating Results	**$ -**	**$ (1,129)**	**$ -**

The accompanying notes and schedules are part of these financial statements.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 6,335	$ 5,422
Accounts Receivable (Note 4)	1,383	3,082
Prepaid Expenses	61	32
Tangible Capital Assets (Note 5)	23	1
	$ 7,802	**$ 8,537**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 3,662	$ 3,268
Net Assets		
Net Assets at Beginning of Year	5,269	5,269
Net Operating Results	(1,129)	-
Net Assets at End of Year	4,140	5,269
	$ 7,802	**$ 8,537**

The accompanying notes and schedules are part of these financial statements.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ (1,129)	$ -
Non-Cash Items included in Net Operating Results:		
Amortization	3	5
Valuation Adjustments (net)	147	47
	(979)	52
Decrease (Increase) in Accounts Receivable (a)	1,655	(1,419)
Increase in Prepaid Expenses	(29)	(24)
Increase (Decrease) in Accounts Payable and Accrued Liabilities (a)	291	(55)
Cash applied to Operating Transactions	938	(1,446)
Capital Transactions		
Acquisition of Tangible Capital Assets	(25)	-
Increase (Decrease) in Cash	913	(1,446)
Cash, Beginning of Year	5,422	6,868
Cash, End of Year	**$ 6,335**	**$ 5,422**

(a) Adjusted for valuation adjustment.

Note 1 Authority, Purpose and Operations

The North Central Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the North Central Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget *(in thousands)*

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $48,324 on April 29, 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $1,383 and $3,662 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 48,324
Additional funding for the current year	1,754
Grant for the year	$ 50,078

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 1,150	-	$ 1,150	$ 2,407
Child and Family Services Authorities	13	-	13	13
Refunds from Suppliers	111	-	111	330
Accounts Receivable - Other	109	-	109	332
	$ 1,383	$ -	$ 1,383	$ 3,082

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	Equipment*	2010 Total	2009 Total
Estimated Useful Life	5 Years		
Historical Cost			
Beginning of Year	$ 63	$ 63	$ 63
Additions	25	25	-
	88	88	63
Accumulated Amortization			
Beginning of Year	62	62	57
Amortization Expense	3	3	5
	65	65	62
Net Book Value at March 31, 2010	23	23	
Net Book Value at March 31, 2009	$ 1		$ 1

*Equipment includes office equipment, furniture and other equipment.

Note 6 Accounts payable and accrued liabilities

(in thousands)

	2010	2009
Trade Payable	$ 1,053	$ 1,172
Accrued Vacation Pay and Manpower Expenses	1,611	1,248
Department of Children and Youth Services	122	244
Child and Family Services Authorities	51	51
Other	825	553
	$ 3,662	$ 3,268

Note 7 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 3	$ 48

(a) The Authority leases certain equipment under operating leases that expire on various dates to March 31, 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-11	$ 3

Note 8 Contingent liabilities
(in thousands)

At March 31, 2010, the Authority is a defendant in five legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009 – five legal claims). Five claims have specified amounts totalling $337,420 (2009 – Five claims with a specified amount of $343,820). The Authority is jointly named with other entities in these five claims. Two claims amounting to $8,820 (2009 – three claims amounting to $18,820) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $909 for the year ended March 31, 2010 (2009 – $808).

Note 10 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [a]	$ 14,108	$ 13,565	$ 13,538
Supplies and Services	26,436	27,930	28,188
Grants	7,780	9,812	7,760
Amortization of Capital Assets	-	3	5
Inter-Authority Services	395	374	468
Other	-	147	47
Total Expenses	**$ 48,719**	**$ 51,831**	**$ 50,006**

(a) This includes ${0} (2009 - ${90}) in achievement bonuses for management and non-union staff.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 30,631	$ -	$ 30,631	$ 33,171
Co-Chair of the Authority	-	34,111	-	34,111	28,836
Board Members (10 members)	-	64,932	-	64,932	83,854
Chief Executive Officer	146,891	53,591	5,764	206,246	204,311

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular pay.

[2] Other cash benefits include vacation payouts (included overtime and/or lump sum payments if relevant for the particular curcumstance). There were no bonuses paid in 2010.

Co-chairs and board members receive honoraria only.

The Department of Children and Youth Services paid $11,100 of the total honoraria expenses disclosed in this schedule.

[3] Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 50,078	$ 49,315	$ -	$ -
Recoveries - Inter-Authority Services	374	468	-	-
	$ 50,452	**$ 49,783**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 573	$ 267	$ -	$ -
Department of Children and Youth Services	473	391	-	-
Department of Advanced Education and Technology	-	-	10	16
Department of Education	-	-	9	12
Department of Health and Wellness	-	-	66	156
Department of Service Alberta	-	-	82	50
	$ 1,046	**$ 658**	**$ 167**	**$ 234**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 1,028	$ 2,148	$ -	$ -
Department of Health and Wellness	-	-	-	(10)
Edmonton and Area Child and Family Services Authority	(8)	(5)	-	-
Métis Settlements Child And Family Services Authority	(30)	(33)	-	-
	$ 990	**$ 2,110**	**$ -**	**$ (10)**

The Authority also had the following transactions with related parties for which no consideration was exchanged.

The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 1,740	$ 1,502
Administration	762	750
Legal Services	45	98
	$ 2,547	**$ 2,350**

NORTH CENTRAL ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments [5]		Total	Total
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Expenses	Expenses
Family Support for Children with Disabilities	$ 5,689	$ 81	$ 36	$ 2	$ 5	$ -	$ 5,813	$ 4,934
Child Care	4,754	79	35	2	5	44	4,919	4,042
Prevention of Family Violence and Bullying	91	10	4	-	-	-	105	71
Parenting Resources Initiative	1,737	-	-	-	-	-	1,737	744
Fetal Alcohol Spectrum Disorder Initiatives	582	10	4	-	1	-	597	499
Child Intervention Services	24,651	1,379	604	36	77	-	26,747	27,795
Foster Care Support	11,892	110	48	3	9	-	12,062	11,694
Protection of Sexually Exploited Children	84	-	-	-	-	-	84	25
Child and Youth Support	449	-	-	-	-	-	449	435
Community Initiatives	5	-	-	-	-	-	5	33
Program Support	1,195	71	31	2	6	-	1,305	1,433
Board Governance	178	-	-	-	-	-	178	178
Inter-Authority Services	374	-	-	-	-	-	374	468
Amortization	3	-	-	-	-	-	3	5
	$ 51,684	**$ 1,740**	**$ 762**	**$ 45**	**$ 103**	**$ 44**	**$ 54,378**	**$ 52,356**

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustment.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the North Central Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

(3) Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child, Youth and Family Enhancement Act*.

(5) Valuation Adjustment as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific programs.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

218 Auditor's Report

219 Statements of Operations

220 Statements of Financial Position

221 Statements of Cash Flows

222 Notes to the Financial Statements

229 Schedule 1 - Expenses - Directly Incurred Detailed by Object

230 Schedule 2 - Salary and Benefits Disclosure

231 Schedule 3 - Related Party Transactions

232 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Northwest Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Northwest Alberta Child and Family Services Authority (the Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 4, 2010

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 39,591	$ 40,683	$ 37,848
Other Revenue			
Inter-Authority Services	350	193	388
Other Revenue - Donations / External	215	258	427
	40,156	**41,134**	**38,663**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	4,267	4,019	4,303
Child Care	3,560	4,145	3,872
Prevention of Family Violence and Bullying	198	210	169
Parenting Resources Initiative	451	1,209	433
Fetal Alcohol Spectrum Disorder Initiatives	169	166	164
Keeping children, youth and families safe and protected:			
Child Intervention Services	20,124	18,742	18,651
Foster Care Support	5,506	5,888	5,421
Protection of Sexually Exploited Children	224	213	217
Child and Youth Support	265	304	269
Promoting healthy communities for children, youth and families:			
Community Initiatives	1,021	832	829
Support Services:			
Program Support	3,699	3,560	3,530
Board Governance	299	227	246
Amortization	23	23	24
Inter-Authority Services	350	193	388
Valuation Adjustments (Note 2)	-	224	139
TOTAL EXPENSES	**40,156**	**39,955**	**38,655**
Net Operating Results	**$ -**	**$ 1,179**	**$ 8**

The accompanying notes and schedules are part of these financial statements.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 6,077	$ 3,896
Accounts Receivable (Note 4)	1,424	1,483
Tangible Capital Assets (Note 5)	13	36
	$ 7,514	**$ 5,415**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	$ 3,567	$ 2,647
Net Assets		
Net Assets at Beginning of Year	2,768	2,760
Net Operating Results	1,179	8
Net Assets at End of Year	3,947	2,768
	$ 7,514	**$ 5,415**

The accompanying notes and schedules are part of these financial statements.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ 1,179	$ 8
Non-Cash Items included in Net Operating Results:		
Amortization	23	24
Valuation Adjustments	224	139
	1,426	171
Decrease in Accounts Receivable	19	110
Increase in Accounts Payable and Accrued Liabilites	736	105
Cash Provided by Operating Transactions	2,181	386
Capital Transactions		
Acquisition of Tangible Capital Assets	-	(5)
Cash applied to Capital Transactions	-	(5)
Increase in Cash	2,181	381
Cash, Beginning of Year	3,896	3,515
Cash, End of Year	**$ 6,077**	**$ 3,896**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Northwest Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Northwest Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets/Net Liabilities

Net assets/net liabilities represents the difference between the carrying value of assets held by the Authority and its liabilities.

Budget
(in thousands)

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $40,156 on April 3, 2009.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $1,424 and $3,567 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 39,591
Additional funding for the current year	1,092
Grant for the year	$ 40,683

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 1,130	$ -	$ 1,130	$ 1,121
Other Receivables	207	-	207	154
Refunds from Suppliers	60	-	60	157
Child and Family Services Authorities	27	-	27	51
	$ 1,424	$ -	$ 1,424	$ 1,483

Accounts receivable are unsecured and non-interest bearing.

Note 5 Tangible Capital Assets
(in thousands)

	Equipment*	Computer Hardware and Software	2010 Total	2009 Total
Estimated Useful Life	10 Years	5 Years		
Historical Cost				
Beginning of Year	$ 11	$ 122	$ 133	$ 127
Additions	-	-	-	6
	11	122	133	133
Accumulated Amortization				
Beginning of Year	1	96	97	73
Amortization Expense	2	21	23	24
	3	117	120	97
Net Book Value at March 31, 2010	8	5	13	
Net Book Value at March 31, 2009	$ 10	$ 26		$ 36

*Equipment includes office equipment, furniture and other equipment.

Note 6 Accounts payable and accrued liabilities
(in thousands)

	2010	2009
Accrued Vacation Pay and Manpower Expenses	$ 2,189	$ 1,367
Trade Payable	1,361	1,252
Department of Children and Youth Services	17	28
	$ 3,567	$ 2,647

Note 7 Contractual obligations
(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 10	$ 63

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2011. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010-11	10
	$ 10

Note 8 Contingent liabilities
(in thousands)

At March 31, 2010, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009 – two legal claims). The two claims have specified amounts totalling $325,000 (2009 – two claims with a specified amount of $325,000). The Authority is jointly named with other entities in these two claims. Zero claims amounting to $0 (2009 – zero claims amounting to $0) are covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $1,110 for the year ended March 31, 2010 (2009 – $942).

Note 10 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [(a)]	$ 15,484	$ 15,025	$ 14,704
Supplies and Services	18,320	17,359	16,937
Grants	5,979	7,131	6,456
Amortization of Capital Assets	23	23	24
Inter-Authority Services	350	193	388
Other	-	224	146
Total Expenses	**$ 40,156**	**$ 39,955**	**$ 38,655**

(a) This includes $0 (2009 - $136) in achievement bonuses for management and non-union staff.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 34,921	$ -	$ 34,921	$ 37,844
Co-Chair of the Authority	-	33,549	-	33,549	25,561
Board Members (8 members)	-	82,536	-	82,536	122,949
Chief Executive Officer	172,826	22,762	41,214	236,802	219,027

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular pay.

[2] Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2010. Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $14,887 of the total honoraria expenses disclosed in this schedule.

[3] Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position measured at the exchange amount of consideration agreed upon between the related parties:

	(in thousands)			
	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 40,683	$ 37,848	$ -	$ -
Recoveries - Inter-Authority Services	193	388	-	-
Miscellaneous Revenue:				
Maintenance Enforcement Program	-	-	10	8
	$ 40,876	$ 38,236	$ 10	$ 8
Expenses - Directly Incurred				
Department of Children and Youth Services	$ 354	$ 391		$ -
Department of Education	-	-	636	702
Department of Service Alberta	-	-	141	69
	$ 354	$ 391	$ 777	$ 771
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 1,113	$ 1,093	$ -	$ -
Edmonton and Area Child and Family Services Authority	1	17	-	-
Northeast Alberta Child and Family Services Authority	26	17	-	-
Metis Settlements Child And Family Services Authority	-	17	-	-
	$ 1,140	$ 1,144	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

	(in thousands)	
	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 2,076	$ 1,625
Administrative	772	809
Legal Services	6	9
	$ 2,854	$ 2,443

NORTHWEST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

Program	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments [5]			
	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Total Expenses	Total Expenses
Family Support for Children with Disabilities	$ 4,019	$ 77	$ 28	$ -	$ 7	$ -	$ 4,131	$ 4,451
Child Care	4,145	64	24	-	6	30	4,269	3,952
Prevention of Family Violence and Bullying	210	25	9	-	2	-	246	196
Parenting Resources Initiative	1,209	-	-	-	-	-	1,209	433
Fetal Alcohol Spectrum Disorder Initiatives	166	-	-	-	-	-	166	164
Child Intervention Services	18,742	1,342	499	6	119	10	20,718	20,253
Foster Care Support	5,888	121	45	-	11	-	6,065	5,639
Protection of Sexually Exploited Children	213	-	-	-	-	-	213	217
Child and Youth Support	304	13	5	-	1	-	323	283
Community Initiatives	832	83	31	-	7	-	953	949
Program Support	3,560	351	131	-	31	-	4,073	3,902
Board Governance	227	-	-	-	-	-	227	246
Inter-Authority Services	193	-	-	-	-	-	193	388
Amortization	23	-	-	-	-	-	23	24
	$ 39,731	**$ 2,076**	**$ 772**	**$ 6**	**$ 184**	**$ 40**	**$ 42,809**	**$ 41,097**

(1) Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

(2) Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Northwest Alberta Child and Family Services Authority's buildings costs allocated by the number of authority employees per program.

(3) Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

(4) Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services program since the legal services provided were in relation to proceedings under the *Child Youth and Family Enhancements Act*.

(5) Valuation adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts Provision is allocated to specific programs.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

234 Auditor's Report

235 Statements of Operations

236 Statements of Financial Position

237 Statements of Cash Flows

238 Notes to the Financial Statements

245 Schedule 1 - Expenses - Directly Incurred Detailed by Object

246 Schedule 2 - Salary and Benefits Disclosure

247 Schedule 3 - Related Party Transactions

248 Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of Northeast Alberta Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Northeast Alberta Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
June 7, 2010

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 12,882	$ 14,213	$ 12,996
Other Revenue			
Other Revenue	429	316	471
	13,311	**14,529**	**13,467**
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	1,626	2,074	1,779
Child Care	432	694	429
Prevention of Family Violence and Bullying	100	94	111
Parenting Resources Initiative	201	95	263
Fetal Alcohol Spectrum Disorder Initiatives	10	-	10
Keeping children, youth and families safe and protected:			
Child Intervention Services	7,050	6,698	6,934
Foster Care Support	2,090	2,261	2,089
Protection of Sexually Exploited Children	60	-	48
Child and Youth Support	100	122	148
Promoting healthy communities for children, youth and families:			
Community Initiatives	753	1,214	717
Support Services:			
Program Support	852	870	875
Board Governance	37	30	28
Valuation Adjustments (Note 2)	-	(27)	36
TOTAL EXPENSES	**13,311**	**14,125**	**13,467**
Net Operating Results	**$ -**	**$ 404**	**$ -**

The accompanying notes and schedules are part of these financial statements.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31, 2009

	(in thousands) 2010	2009
Assets		
Cash	$ 2,109	$ 856
Accounts Receivable (Note 4)	320	1,055
	$ 2,429	**$ 1,911**
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 754	$ 640
	754	640
Net Assets		
Net Assets at Beginning of Year	1,271	1,271
Net Operating Results	404	-
Net Assets at End of Year	1,675	1,271
	$ 2,429	**$ 1,911**

The accompanying notes and schedules are part of these financial statements.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ 404	$ -
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	(27)	36
	377	36
(Increase) Decrease in Accounts Receivable	735	(534)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	141	(207)
Cash Provided by (applied to) Operating Transactions	1,253	(705)
Increase (decrease) in Cash	1,253	(705)
Cash, Beginning of Year	856	1,561
Cash, End of Year	**$ 2,109**	**$ 856**

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Northeast Alberta Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

These financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of the Authority.

Reporting Entity

The reporting entity is the Northeast Alberta Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Monetary donations from external sources are recorded as revenue when received.

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statements of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc, directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be determined.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statements of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget *(in thousands)*

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $13,311 on May 29, 2009.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The accrued accounts receivable and accounts payable and accrued liabilities recorded as $320 and $754 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 12,882
Additional funding for the current year	1,331
Grant for the year	$ 14,213

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 247	$ -	$ 247	$ 870
Other	73	-	73	185
	$ 320	$ -	$ 320	$ 1,055

Accounts receivable are unsecured and non-interest bearing.

Note 5 Accounts Payable and Accrued Liabilities
(in thousands)

	2010	2009
Trade Payable	$ 315	$ 346
Accrued Vacation Pay and Manpower Expenses	389	274
Department of Children and Youth Services	1	3
Child and Family Services Authorities	49	17
	$ 754	$ 640

Note 6 Contractual Obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

As at March 31, 2010, the Authority has the following other contractual obligations:

	2010	2009
Long-term Leases [a]	$ 4	$ 19

[a] The Authority leases certain equipment under operating leases that expire on various dates to 2012. The aggregate amounts payable for the unexpired terms of these leases are as follows:

	Long-term Leases
2010 - 2011	4
	$ 4

Note 7 Contingent Liabilities

(in thousands)

At March 31, 2010, the Authority is a defendant in two legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claims occurred (2009 – two legal claims). The two claims have specified amounts totalling $325,000 (2009 – two claims with a specified amount of $325,000). The Authority is jointly named with other entities in these two claims. Neither claim is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 8 Third Party Agreements
(in thousands)

The Authority has entered into a third party agreement with the Student Health Partnership to deliver various program services. The revenues of $287 (2009 - $374) and expenses of $287 (2009 - $374) are included in the financial statements.

Student Health Partnership	2010	2009
Revenue	$ 287	$ 374
Expense	(287)	(374)
	$ -	$ -

Note 9 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $253 for the year ended March 31, 2010 (2009 – $224).

Note 10 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 11 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object

SCHEDULE 1

Year ended March 31

	(in thousands)		
	2010 Budget	2010 Actual	2009 Actual
Salaries, Wages and Employee Benefits [a]	$ 4,755	$ 4,363	$ 4,656
Supplies and Services [b]	7,021	6,237	6,943
Grants	1,535	3,552	1,832
Other	-	(27)	36
Total Expenses	**$ 13,311**	**$ 14,125**	**$ 13,467**

(a) This includes $0 (2009 - $47) in achievement bonuses for management and non-union staff.

(b) The Authority receives residential placement services from the Department of Seniors and Community Supports.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	-	8,263	-	8,263	13,629
Co-Chair of the Authority	-	10,727	-	10,727	9,010
Board Members (4 members)	-	18,798	-	18,798	16,247
Chief Executive Officer [4]	161,112	53,967	5,841	220,920	227,487

Prepared in accordance with Treasury Board Directive 12/98 as amended.

[1] Base salary includes regular pay.

[2] Other cash benefits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstance) and northern living allowances. There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $16,000 of the total honoraria expenses disclosed in this schedule.

[3] Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including position, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

[4] Automobile provided, no dollar amount included in other non-cash benefits.

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS
Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 14,213	$ 12,996	$ -	$ -
Recoveries - Inter-Authority Services	-	4	-	-
	$ 14,213	**$ 13,000**	**$ -**	**$ -**
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 300	$ 370	$ -	$ -
Department of Children and Youth Services	28	40	-	-
Department of Education	-	-	394	327
Department of Health and Wellness	-	-	-	183
Department of Service Alberta	-	-	11	6
	$ 328	**$ 410**	**$ 405**	**$ 516**
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 247	$ 867	$ -	$ -
Central Alberta Child and Family Services Authority	1	-	-	-
Edmonton and Area Child and Family Services Authority	22	-	-	-
Northwest Alberta Child and Family Services Authority	26	(17)	-	-
	$ 296	**$ 850**	**$ -**	**$ -**

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4:

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	$ 388	$ 679
Administrative	198	188
Legal Services	1	-
	$ 587	**$ 867**

NORTHEAST ALBERTA CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

Year ended March 31

SCHEDULE 4

(in thousands)

	2010							2009
		Expenses - Incurred by Others			Valuation Adjustments [5]		Total	Total
Program	Expenses[1]	Accommodation Costs[2]	Administration Costs[3]	Legal Services[4]	Vacation Pay	Doubtful Accounts	Expenses	Expenses
Family Support for Children with Disabilities	$ 2,074	$ 28	$ 14	$ -	$ (2)	$ -	$ 2,114	$ 1,844
Child Care	694	29	15	-	(2)	-	736	497
Prevention of Family Violence and Bullying	94	10	5	-	(1)	-	108	135
Parenting Resources Initiative	95	-	-	-	-	-	95	263
Fetal Alcohol Spectrum Disorder Initiatives	-	-	-	-	-	-	-	10
Child Intervention Services	6,698	238	122	1	(16)	-	7,043	7,486
Foster Care Support	2,261	10	5	-	(1)	-	2,275	2,113
Protection of Sexually Exploited Children	-	-	-	-	-	-	-	48
Child and Youth Support	122	-	-	-	-	-	122	148
Community Initiatives	1,214	30	15	-	(2)	-	1,257	788
Program Support	870	43	22	-	(3)	-	932	975
Board Governance	30	-	-	-	-	-	30	28
	$ 14,152	**$ 388**	**$ 198**	**$ 1**	**$ (27)**	**$ -**	**$ 14,712**	**$ 14,335**

[1] Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

[2] Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Northeast Alberta Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

[3] Administration costs for financial, human resources and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

[4] Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the *Child ,Youth and Family Enhancement Act* .

[5] Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts Provision is allocated to specific programs.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY

FINANCIAL STATEMENTS

Year ended March 31, 2010

250	Auditor's Report
251	Statements of Operations
252	Statements of Financial Position
253	Statements of Cash Flows
254	Notes to the Financial Statements
260	Schedule 1 - Expenses - Directly Incurred Detailed by Object
261	Schedule 2 - Salary and Benefits Disclosure
262	Schedule 3 - Related Party Transactions
263	Schedule 4 - Allocated Costs

AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Métis Settlements Child and Family Services Authority and the Minister of Children and Youth Services

I have audited the statements of financial position of the Métis Settlements Child and Family Services Authority (Authority) as at March 31, 2010 and 2009 and the statements of operations and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Authority as at March 31, 2010 and 2009 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

Merwan N. Saher CA
Auditor General

Edmonton, Alberta
May 29, 2010

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF OPERATIONS
Year ended March 31

	(in thousands)		
	2010		2009
	Budget	Actual	Actual
REVENUES			
Internal Government Transfers			
Transfer from Department (Note 3)	$ 8,910	$ 9,961	$ 6,560
Other Revenue			
Inter-Authority Services - Recoveries	-	353	2,833
Miscellaneous Revenue	-	9	7
	8,910	10,323	9,400
EXPENSES (SCHEDULES 1 AND 4)			
Promoting the development and well being of children, youth and families:			
Family Support for Children with Disabilities	260	183	231
Child Care	63	349	225
Prevention of Family Violence and Bullying	68	192	54
Parenting Resources Initiative	59	101	50
Fetal Alcohol Spectrum Disorder Initiatives	29	125	49
Keeping children, youth and families safe and protected:			
Child Intervention Services	4,990	5,277	2,955
Foster Care Support	1,848	3,003	1,317
Protection of Sexually Exploited Children	54	16	31
Child and Youth Support	372	414	360
Promoting healthy communities for children, youth and families:			
Community Initiatives	214	244	158
Support Services:			
Program Support	788	628	687
Board Governance	165	163	179
Inter-Authority Services	-	353	2,833
Valuation Adjustments (Note 2)	-	28	113
TOTAL EXPENSES	8,910	11,076	9,242
Net Operating Results	$ -	(753)	$ 158

The accompanying notes and schedules are part of these financial statements.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF FINANCIAL POSITION
As at March 31

	(in thousands) 2010	2009
Assets		
Cash	$ 502	$ 527
Accounts Receivable (Note 4)	588	922
	$ 1,090	$ 1,449
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	$ 1,007	$ 613
Net Assets		
Net Assets at Beginning of Year	836	678
Net Operating Results	(753)	158
Net Assets at End of Year	83	836
	$ 1,090	$ 1,449

The accompanying notes and schedules are part of these financial statements.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
STATEMENTS OF CASH FLOWS
Year ended March 31

	(in thousands) 2010	2009
Operating Transactions		
Net Operating Results	$ (753)	$ 158
Non-Cash Items included in Net Operating Results:		
Valuation Adjustments	28	113
	(725)	271
Decrease (Increase) in Accounts Receivable	331	(266)
Decrease in Advances	-	1
Increase (Decrease) in Accounts Payable and Accrued Liabilities (Note 5)	369	(37)
Cash Provided by (applied to) Operating Transactions	(25)	(31)
(Decrease) in Cash	(25)	(31)
Cash, Beginning of Year	527	558
Cash, End of Year	$ 502	$ 527

The accompanying notes and schedules are part of these financial statements.

Note 1 Authority, Purpose and Operations

The Métis Settlements Child and Family Services Authority (the Authority) operates under the authority of the *Child and Family Services Authorities Act* and directions provided by the Minister of Children and Youth Services.

The Authority is to provide community-based child and family services, programs and other supports that build on community strengths and individual and family responsibility with organizations and community groups by utilizing partnerships and sharing resources.

Pursuant to the "Management Services Agreement" between the Authority and the Minister, the Department of Children and Youth Services has assigned certain departmental staff to the Authority. With the exception of the Chief Executive Officer (CEO), all individuals working for the Authority are assigned under this agreement. The agreement provides that the Minister will delegate to the Chief Executive Officer of the Authority, powers and duties under the *Public Service Act*, as are necessary to appoint, manage and direct these individuals.

Note 2 Significant Accounting Policies and Reporting Practices

The financial statements are prepared primarily in accordance with Canadian generally accepted accounting principles for the public sector as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (PSAB). The PSAB financial statements presentation standard for government summary financial statements has been modified to more appropriately reflect the nature of Authority.

Reporting Entity

The reporting entity is the Métis Settlements Child and Family Services Authority, which is part of the Ministry of Children and Youth Services.

Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Revenue includes grants from the Department of Children and Youth Services and other miscellaneous reimbursements and recoveries.

Monetary donations from external sources are recorded as revenue when received.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Internal Government Transfers

Internal government transfers are transfers between entities within the Government reporting entity where the entity making the transfer does not receive goods or services in return.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Authority has primary responsibility and accountability for, as reflected in the Authority's budget. These are included in the Statement of Operations and Schedule 1.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- Valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from provision for accrued vacation pay for the employees assigned to the Authority by the Department of Children and Youth Services.

- The cost of salary, wages and employee benefits related to employees assigned by the Department of Children and Youth Services to the Authority, which are included in manpower expenses. Pension costs which are the cost of employer contributions during the year.

- Grants are recognized as expenses when authorized, eligibility criteria if any are met, and a reasonable estimate of the amounts can be determined.

Incurred by Others

Services contributed by other entities in support of the Authority's operations are excluded from the Statement of Operations and are disclosed in Schedule 4.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the Authority are limited to financial claims such as advances to and receivables from other organizations, employees and other individuals.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Tangible capital assets of the Authority are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's-length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair value of cash, accounts receivable, advances and accounts payable and accrued liabilities are estimated to approximate their carrying value because of the short term nature of these instruments.

Net Assets/Net Liabilities

Net assets/net liabilities represent the difference between the carrying value of assets held by the Authority and its liabilities.

Budget *(in thousands)*

The Authority receives its financing by way of a grant from the Department of Children and Youth Services. The Authority is economically dependent upon the Department of Children and Youth Services since the viability of its on-going operations depends on the grant revenues from the Department. The budget presented in the Statements of Operations was included in the 2009-10 Government and Lottery Fund Estimates tabled in the Legislative Assembly on May 26, 2009. The Authority approved the budget of $8,910 on March 27, 2009.

Note 2 Significant Accounting Policies and Reporting Practices (Continued)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.
The accrued accounts receivable and accounts payable and accrued liabilities recorded as $588 and $1,007 respectively in these financial statements are subject to measurement uncertainty. The accrued receivables and liabilities are based on estimates, calculated using linear analysis of current expense trends as well as management input. The actual amount could vary significantly from that estimated.

Voluntary Contribution

These financial statements do not include voluntary contributions received for materials and services because of the difficulty in determining their fair market values.

Note 3 Grants from the Department of Children and Youth Services
(in thousands)

The grant is determined as follows:

Initial (original) budget	$ 8,910
Additional funding for the current year	1,051
Grant for the year	$ 9,961

Note 4 Accounts Receivable
(in thousands)

	2010			2009
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Department of Children and Youth Services	$ 514	$ (3)	$ 511	$ 589
Edmonton and Area CFSA	10	-	10	298
North Central Alberta CFSA	43	-	43	33
Refund from Suppliers	24	-	24	2
	$ 591	$ (3)	$ 588	$ 922

Accounts receivable are unsecured and non-interest bearing.

Note 5 Accounts payable and accrued liabilities

(in thousands)

	2010	2009
Trade Payable	$ 489	$ 201
Accrued Vacation Pay and Manpower Expenses	437	391
Payable to Department of Children and Youth Services	4	4
Child and Family Services Authorities	77	17
	$ 1,007	$ 613

Note 6 Contractual obligations

(in thousands)

The Authority contracts with organizations to provide specific programs and services for children under the care of the Authority. The Authority has contracts for specific programs and services in the year ending March 31, 2011 similar to those provided by these organizations during the year ended March 31, 2010.

Note 7 Contingent liabilities

(in thousands)

At March 31, 2010, the Authority is a defendant in three legal claims either directly as a named defendant or peripherally as the Authority with management responsibility when the incident giving rise to the claim occurred (2009–three legal claims). The three claims have specified amounts totalling $325,100 (2009 – three claims with a specified amount of $325,100). Included in the total legal claims are two claims amounting to $325,000 in which Authority has been jointly named with other entities. One claim amounting to $100 (2009 - one claims amounting to $100) is covered by the Alberta Risk Management Fund. The resulting loss, if any, from these claims cannot be determined.

Note 8 Benefit Plans
(in thousands)

The Authority participates in the multi-employer Management Employees Pension and Public Services Pension Plan. The Authority also participates in the multi-employee Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contribution of $290 for the year ended March 31, 2010 (2009 – $200).

Note 9 Comparative Figures

Certain 2009 figures have been reclassified to conform to the 2010 presentation.

Note 10 Approval of Financial Statements

The financial statements were approved by the Authority's Board.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Expenses - Directly Incurred Detailed by Object **SCHEDULE 1**

Year ended March 31

	(in thousands)		
	2010 Budget	**2010 Actual**	**2009 Actual**
Salaries, Wages and Employee Benefits [a]	$ 3,600	$ 3,544	$ 2,507
Supplies and Services	5,074	6,447	3,414
Grants	236	704	373
Inter-Authority Services	-	353	2,835
Other	-	28	113
Total Expenses	**$ 8,910**	**$ 11,076**	**$ 9,242**

(a) This includes $0 (2009 - $71) in achievement bonuses for management and non-union staff.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Salary and Benefits Disclosure

SCHEDULE 2

Year ended March 31

	2010				2009
	Base Salary [1]	Other Cash Benefits [2]	Other Non-Cash Benefits [3]	Total	Total
Co-Chair of the Authority	$ -	$ 27,996	$ -	$ 27,996	$ 34,956
Co-Chair of the Authority	-	29,610	-	29,610	35,194
Board Members (6 members)	-	47,821	-	47,821	66,525
Chief Executive Officer	156,817	-	36,739	193,556	214,571

Prepared in accordance with Treasury Board Directive 12/98 as amended.

(1) Base salary includes regular pay.

(2) Other cash benefits include vacation payouts (include overtime and/or lump sum payments if relevant for the particular circumstance). There were no bonuses paid in 2010.
Co-chairs and board members receive honoraria only.
The Department of Children and Youth Services paid $9,621 of the total honoraria expenses disclosed in this schedule.

(3) Other non-cash benefits include the Government's share of all employee benefits and contributions or payments made on behalf of employees, including pension, health care, dental coverage, group life insurance, short term disability plans, professional memberships and tuition fees.

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Related Party Transactions

SCHEDULE 3

Year ended March 31

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management and the Board of the Authority.

The Authority and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users and have been excluded from this schedule.

The Authority had the following transactions with related parties that are on the Statements of Operations and the Statements of Financial Position, measured at the exchange amount of consideration agreed upon between the related parties:

(in thousands)

	Entities in the Ministry		Other Entities	
	2010	2009	2010	2009
Revenues:				
Grant from the Department of Children and Youth Services	$ 9,961	$ 6,560	$ -	$ -
Recoveries - Inter-Authority Services	353	2,833	-	-
Miscellaneous and Prior Year Revenue	9	7	-	-
	$ 10,323	$ 9,400	$ -	$ -
Expenses - Directly Incurred				
Inter-Authority Services Received	$ 571	$ 201	$ -	$ -
Department of Advanced Education and Technology	-	-	3	1
Department of Education	-	-	33	-
Department of Health and Wellness	-	-	-	1
Department of Service Alberta	-	-	36	20
	$ 571	$ 201	$ 72	$ 22
Receivable from/(Payable to):				
Department of Children and Youth Services (Net)	$ 507	$ 585	$ -	$ -
Edmonton and Area Child and Family Services Authority	(55)	298	-	-
North Central Alberta Child and Family Services Authority	31	33	-	-
Northwest Alberta Child and Family Services Authority		(17)	-	-
	$ 483	$ 899	$ -	$ -

The Authority also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider providing the service.

The following amounts are not recorded in the financial statements but are disclosed on Schedule 4.

(in thousands)

	Other Entities	
	2010	2009
Expenses (Notional):		
Accommodation	359	245
Administrative	190	190
Legal Services	23	32
	$ 572	$ 467

MÉTIS SETTLEMENTS CHILD AND FAMILY SERVICES AUTHORITY
SCHEDULES TO FINANCIAL STATEMENTS

Allocated Costs

SCHEDULE 4

Year ended March 31

(in thousands)

Program	2010 Expenses[1]	Expenses - Incurred by Others: Accommodation Costs[2]	Expenses - Incurred by Others: Administration Costs[3]	Expenses - Incurred by Others: Legal Services[4]	Valuation Adjustments[5]: Vacation Pay	Valuation Adjustments[5]: Doubtful Accounts	2010 Total Expenses	2009 Total Expenses
Family Support for Children with Disabilities	$ 183	$ 10	$ 5	$ 1	$ 1	$ -	$ 200	256
Child Care	349	11	6	1	1	-	368	276
Prevention of Family Violence and Bullying	192	11	6	1	1	-	211	60
Parenting Resources Initiative	101	-	-	-	-	-	101	50
Fetal Alcohol Spectrum Disorder Initiatives	125	-	-	-	-	-	125	49
Child Intervention Services	5,277	225	119	14	16	-	5,651	3,323
Foster Care Support	3,003	17	9	1	1	-	3,031	1,328
Protection of Sexually Exploited Children	16	-	-		-	-	16	31
Child and Youth Support	414	20	11	1	1	-	447	371
Community Initiatives	244	22	11	1	2	-	280	190
Program Support	628	43	23	3	2	-	699	751
Board Governance	163	-	-	-	-	3	166	179
Inter-Authority Services	353	-	-	-	-	-	353	2,833
	11,048	**359**	**190**	**23**	**25**	**3**	**11,648**	**9,697**

[1] Expenses - Directly Incurred as per the Statements of Operations, excluding valuation adjustments.

[2] Accommodation costs (includes grants in lieu of taxes), which were paid by the Department of Infrastructure, represent the Metis Settlements Child and Family Services Authority's buildings costs allocated by the number of Authority employees per program.

[3] Administration costs for financial, human resources, and administrative services provided by the Department of Service Alberta and paid for by the Department of Children and Youth Services.

[4] Costs for legal services, which were paid by the Department of Justice and Attorney General, were allocated to the Child Intervention Services Program since the legal services provided were in relation to proceedings under the Child Youth and Family Enhancement Act.

[5] Valuation Adjustments as per the Statements of Operations. Employee Benefits and Doubtful Accounts provisions included in Valuation Adjustments were allocated as follows:

- Vacation pay is allocated by the number of employees per program.
- Doubtful Accounts provision is allocated to specific programs